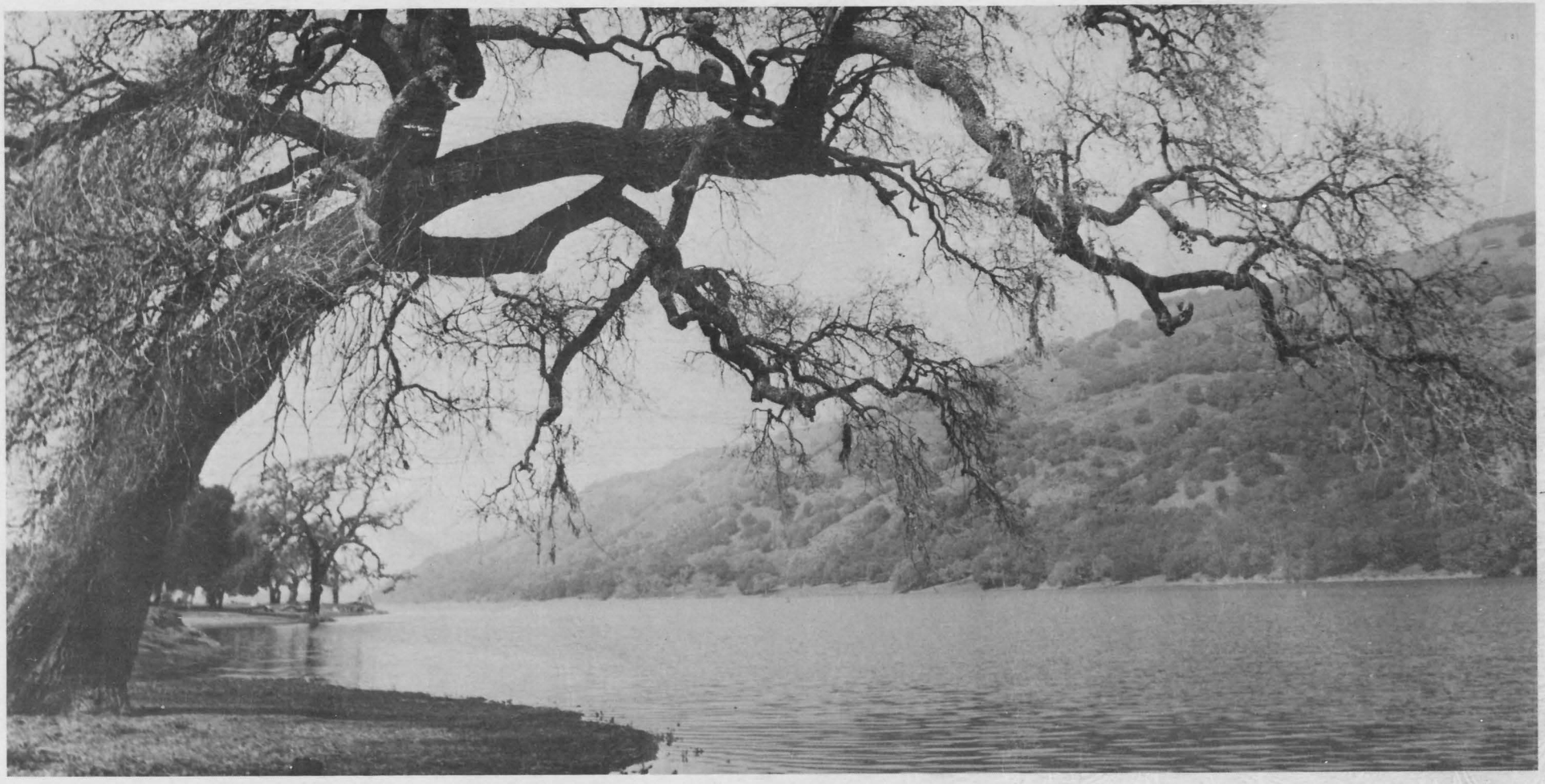
FINAL BUDGET
1985-86



Santa Clara Valley Water District

1.5.47/85-86-01

1.5.47/85-86

HD1695S383B82 1985/86 c.1

SUBMITTED BY: *John T. O'Halloran*
General Manager

BOARD OF DIRECTORS

Joe Donohue, Chairman

Patrick T. Ferraro
Audrey H. Fisher
Robert W. Gross
James J. Lenihan
Joe Pandit
Sig Sanchez

PROPERTY OF SANTA CLARA VALLEY
WATER DISTRICT
5750 Almaden Expressway
San Jose, California 95118

June 1, 1985

Honorable Board of Supervisors
County of Santa Clara
County Government Center East Wing
70 West Hedding Street
San Jose, CA 95110

Dear Board Members:

Transmitted herewith is the Requested Santa Clara Valley Water District Budget for fiscal year 1985-86. It is presented in the same order and concise format as in previous years. This budget sets forth minimum expenditure levels considered necessary for flood control, water utility and general operations of the District.

The Benefit Assessment Program has been in effect since July 1, 1981. The election of June 8, 1982, authorized this program to continue through June 30, 1992. It has provided additional critically needed funding to achieve standards of safety and operational effectiveness in providing flood protection within Santa Clara County. The benefit assessments are authorized by and in compliance with Government Code 60600 et seq.

The flood control planning and implementation is based on priorities and programs developed with the assistance of Flood Control Zone Advisory Committees. This budget provides an appropriation of about $42.7 million to perform planning, construction and maintenance of projects in this fiscal year. Funding in the South Zone is still very limited and is primarily dependent on Federal Programs and subventions from State Agencies. In fiscal year 1984-85, the Board authorized continuing loan advances from the District Fund, subject to a maximum limit of $2.2 million. As shown in this budget there is only $684,765 of that amount still available to be advanced. It is shown as a loan by the District under the Outlay Summary and also as a loan to the South Zone under the Revenue Summary. It is estimated the State of California will reimburse $861,750 toward claims that have been submitted in connection with the Upper and Lower Llagas Creek Projects. Therefore, this amount is also budgeted as additional revenue to the South Zone.

Maintenance was performed at a very high level during 1984-85 to minimize potential damage if winter storms repeat as they did several years ago. We are continuing our efforts to improve our flood forecasting ability in order to be able to optimize flood control and prevention with the financial resources available.

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All Water Revenue Bonds authorized in the election of May 1977 have been sold. The planning effort includes completion of the engineers report for the Calero Pipeline and performing a study of laboratory needs. Construction includes continued work on raw water and treated water pipelines, improvements to Almaden, Guadalupe and Stevens Creek Dams & Reservoirs. Anderson Dam will have a major design and construction modification made to the dam and spillway. The Greystone Pump Station and Pipeline will be constructed for the benefit of the San Jose Water Company on a reimbursable basis. Design work will be completed and construction work will begin on the Snell Pipeline, Santa Teresa Water Treatment Plant and Santa Teresa Tunnel. Plans and specifications will be developed for two Hydrogeneration Systems - Kirk/Page and Anderson. The surplus figure for June 1986 is $26,557,000, down from this year's figure of $87,993,000, due to the above-mentioned heavy construction anticipated.

To finance the ongoing operation and maintenance and the improvements to the Water Distribution System, the 1985-86 budget reflects an increase in the basic user rates of $5 per acre-foot for municipal and industrial use and $1.25 per acre-foot for agricultural use. This increase in user rates was recommended by the District's Water Commission, the Agricultural Water Advisory Committee and the District's Retail Water Agencies. It was adopted by the Board to be effective July 1, 1985. Also, as in past years, in accordance with District policy an ad valorem real property tax will be levied under Article XIIIA, Section 1(b) of the California Constitution to meet a portion of the District's State Water Project contract obligations.

More detailed information on the proposals in this budget will be found in narrative form preceding each section.

Sincerely,

Joe Donohue

Joe Donohue, Chairman
Board of Directors

S3B4907d

SANTA CLARA VALLEY WATER DISTRICT
1985-86

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GENERAL INFORMATION

To finance its activities, the District has been divided into zones of benefit. Five of these zones support flood control activities. The boundary of each zone is described at the beginning of its Budget Summary. Other zones have been established for District administration and to provide financing for the conservation, distribution, reclamation, hydroelectric generation, and treatment of local and imported water.

Ad valorem tax allocations from the Countywide property tax and benefit assessment revenues finance the expenditures of each Flood Control Zone. The expenditures within each zone for all programs are presented on the program summary sheets within each zone budget.

Budgeting for the Water Utility is accomplished on an enterprise fund basis. Water supply activities are partially financed by an allocation of the Countywide tax to pay for the cost of import facilities and for the recreational benefits derived from the District's reservoirs. The major sources of water supply income are a charge levied on all groundwater extracted within Zone W-2 of the District and from the sale of treated water. Other sources of revenue result from a tax allocation to Zones W-3 and W-4, from the sale of surface-delivered untreated water, and reclaimed water.

The District receives a small Countywide administration tax allocation to purchase fixed assets such as office equipment and to fund general governmental costs required in the overall operation of the District.

BUDGETING PROCESS

The budget is prepared as a cooperative effort by all organizational units and reviewed by a Budget Committee. Responsibility is established for every project in each program. Each work effort is defined by Project Coordinators and each participating organizational unit budgets the items necessary for its successful completion.

Each activity of the District can be related to one of several financial accounting units known as "cost centers". Within each cost center, subgroupings of related activities are determined and called programs; an analysis of the major programs would show the following allocation of activities:

PLANNING — includes all labor and contractual services on projects up to the final design activity which is included in the Construction Program. Planning includes all planned studies, the preparation of hearing plans, and certain special studies.

CONSTRUCTION — includes all labor, use or purchase of equipment and contractual services which result in the completion of a project, a substantial improvement to the life or value of a physical project or the acquisition of a new physical asset.

MAINTENANCE — includes all work performed on District projects, facilities or equipment which result in maintaining constructed works or equipment in operating condition.

OPERATIONS includes all work performed in the release, diversion, treatment, reclamation or transportation of water in or through channels or pipelines, ongoing application of District ordinances and land ownership management.

ADMINISTRATION includes all labor and contractual services required in the administration of a cost center. The apportionment of insurance premiums is also included in this program. Generally, premiums increased 300% - 400% over the previous year.

MAJOR PROJECTS PROPOSED FOR 1985-86

This section will highlight the major projects proposed for 1985-86. It should be noted, however, that all projects in the Planning and Construction Programs are explained within each cost center. Included at the end of each section is a listing of each project showing the amount budgeted for each program.

PLANNING Work within this program provides coordinated studies and planning activities to support the needs of the cost center. Also included in this program is labor to support the Planning Program for surveying, right of way engineering, and technical services. Major planning studies for the 1985-86 fiscal year are:

Cost Center	Project Title	Page No.	Cost
Allocated	Waterways Planning Study - Phase I	14,19,23,28,33	$63,020
Northwest	Matadero Creek	14	153,107
Northwest	Permanente Creek Sedimentation Study	14	36,247
North Central	Calbazas Creek	19	185,378
Central	Guadalupe River, Corps of Engineers Study	23	64,396
Central	Waterways Planning Study - Phase II	23	27,924
Central	Guadalupe River	23	251,458
East	Berryessa Creek	28	126,253
South	Tennant Creek	33	39,946
Source of Supply	Saltwater Intrusion Study	42	113,981
Raw Water T&D	Calero Pipeline	47	189,859
Raw Water T&D	Main Avenue Percolation System	47	36,617
Water Treatment	Study of Trihalomethanes	52	170,000
Admin. & General	Study of Laboratory Needs	58	81,462
Admin. & General	Financial and Cash Flow Study	58	124,555
Admin. & General	Annual Wtr. Supply Balance	58	32,607
Admin. & General	Groundwater Model	59	29,070
Admin. & General	Water Resources Master Planning	59	302,175
Admin. & General	Water Quality Studies	59	476,266

CONSTRUCTION

The capital improvements budgets include the following major improvements to be initiated or completed in 1985-86. Details may be reviewed within the individual cost center texts.

Cost Center	Project Title	Page No.	Cost
Allocated	Control System Upgrade	53, 56	$783,380
Northwest	Adobe Creek	15	1,671,589
Northwest	Permanente Diversion Channel	15	136,504
Northwest	Stevens Creek	15	313,941
Northwest	Palo Alto Flood Basin	15	668,868
North Central	Saratoga Creek	19	2,090,578
Central	Alamitos Creek	23	291,827
Central	Guadalupe River	24	20,424,764
Central	Lower Coyote Creek	24	4,394,944
East	Coyote Creek	29	3,121,642
East	Silver Creek Lower	29	871,019
East	Penitencia Creek Lower	29	310,380
South	Uvas - Carnadero Creek	33	393,539
South	Lower Llagas Creek Watershed Project	34	892,400
Source of Supply	Almaden Dam & Reservoir	43	121,265
Source of Supply	Anderson Dam & Reservoir	44	4,057,977
Source of Supply	Guadalupe Dam & Reservoir	44	153,781
Source of Supply	Stevens Creek Dam & Reservoir	44	139,326
Raw Water T&D	Calero Pipeline	48	235,225
Raw Water T&D	Control System - Raw Water	49	936,941
Raw Water T&D	Coyote - Alamitos Canal	49	122,849
Raw Water T&D	Kooser Percolation System	49	132,952
Raw Water T&D	Santa Teresa Force Main	49	1,034,714
Raw Water T&D	Maple Avenue Recharge Facility	49	1,632,491
Water Treatment	Santa Teresa Water Treatment Plant	52	46,629,552
Treated Water T&D	Santa Teresa Tunnel	55	6,512,281
Treated Water T&D	Greystone Pump Station	56	712,730
Treated Water T&D	Greystone Pipeline	56	285,704
Treated Water T&D	Snell Pipeline	56	14,059,158
Admin. & General	Kirk/Page Hydrogeneration System	59	125,298
Admin. & General	Anderson Hydrogeneration System	59	2,211,017

MAINTENANCE & OPERATIONS

Projects within these programs provide for the operations and maintenance of all facilities and equipment for the Flood Control Zones and Water Utility Enterprise. A computerized system is under development to provide planned maintenance based on a scheduled work order system. The benefits will apply District-wide and an amount is allocated to the major Cost Centers in the budget. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

ADMINISTRATION Work within this program provides a focal point to capture administrative support including District labor and contractual services which benefit the entire cost center and are not allocable to any individual project. The cost of administering the billing of benefit assessment revenue is allocated to each flood control zone. Included are costs for insurance and a general cost center support project.

DISTRICT SALARIES AND STAFFING

The following presents a comparison of actual salaries for fiscal year 1983-84, those approved in fiscal year 1984-85, and those requested for fiscal year 1985-86.

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Permanent Position Salaries	$8,842,508	9,665,268	10,146,691	10,634,629
Overtime Salaries	366,099	411,189	366,855	384,697
Total	$9,208,607	10,076,457	10,513,546	11,019,326

The following presents a comparison of the District staff for the previous year, current year and that requested for the new fiscal year. Salaries for temporary employees are being administered by employment agencies.

	1983-84	1984-85	Approved During 1984-85	New Position Requests	1985-86 Planned Staffing
General Manager	9	9	1		10
Clerk of the Board	12	13			13
Finance	43	44	-1		43
Water Supply	35	37	1		38
Flood Control	70	71	3	2	76
Operations and Maintenance	127	129	-1	8	136
Total Authorized Positions	296	303	3 (a)	10 (b)	316

			Resolution Number	Date
(a)	Approved during 1984-85:			
	The General Manager Unit:			
-1	Personnel Officer	)		
1	Personnel/Risk Manager	)*	85-4	01/15/85
-1	Personnel Technician	)**		
2	Personnel Analyst I's	)**		
	The Finance Unit:			
-1	Asst. Admin. & Finance Manager	*	85-4	01/15/85
	The Water Supply Unit:			
1	Asst. Engineering Geologist		85-17	03/05/85
	The Flood Control Unit:			
2	Engineering Technician I's	)	84-63	08/21/84
1	Engineering Technician II	)		
	The Operations & Maintenance Unit:			
-1	Maintenance Services Coordinator	**	85-4	01/15/85
3				

* The Assistant Administration & Finance Manager classification was deleted and reclassified as Personnel/Risk Manager.

** The Maintenance Services Coordinator and Personnel Technician classes were deleted and reclassified as personnel Analyst I's.

(b) New Positions requested:

The Flood Control Unit Requests:

2 Construction Inspectors are budgeted for the Construction Division to meet increasing work loads and to reduce dependance on Consultant services. The District can no longer rely on the use of the County Inspectors who are now committeed to higher priority projects for the County, such as the lite rail project.

The Operations and Maintenance Unit Requests:

1 Heavy Equipment Operator to reduce an understaffing problem and provide the capability to better utilize District owned equipment.

2 Maintenance Worker I/II positions are needed to reduce understaffing problems in the Maintenance Division. Addition of these positions will improve the efficiency of field operations. These positions will reduce continued reliance on Temporary Help.

1 Senior Water Treatment Plant Operator is requested to begin familiarization with the District's water treatment processes and procedures and also to be on hand when the construction of the Santa Teresa Water Treatment Plant begins for thorough familiarity with the plant.

4 Water Treatment Plant Operator II's are requested in preparation for the new treatment plant. The operators must have required time in to be licensed and it is essential that the people who will perform these duties be recruited and hired as soon as possible.

10

(c) 303 (+) 3 previously approved (+) 10 requested = 316

SANTA CLARA VALLEY WATER DISTRICT
COMPARATIVE BUDGET

REVENUE

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$81,315,921	104,394,910	115,950,000	121,338,281
Revenue Sources				
Property Taxes				
Secured	14,522,236	16,164,188	19,172,406	20,427,354
Unsecured	1,901,240	1,832,902	2,196,805	2,133,180
Delinquent	1,311,817	1,202,100	1,131,500	1,131,500
Interest	8,494,657	12,241,455	9,252,000	9,252,000
Agreements & Advances				
City of Palo Alto			135,000	135,000
District Loan	590,157	508,800	684,765	684,765
Property Rentals	211,923	201,150	343,178	343,178
Bureau of Reclamation		1,002,000		
Dept. of Water Resources Reimb.			861,750	861,750
City of Gilroy		52,697	53,000	53,000
Gavilan Water Conservation District		33,118	33,000	33,000
City of San Jose			5,000	5,000
Grants	1,101,685			
Loma Prieta Resource Conservation District		500	500	500
State Water Resources Control Board		70,000		
Regional Water Quality Control Board		40,000		
Public Employees Retirement				
City of Palo Alto		54,000		
Other	478,201	419,464		
Sale of Bonds	29,619,928			
Groundwater Charges	11,565,457	12,599,391	16,014,247	16,014,247
Surface Water Charges	87,847	90,000	103,000	103,000
Treated Water Charges	11,053,453	11,457,535	12,690,809	12,690,809
Reclaimed Water Charges	16,870	13,000	13,500	13,500
Sale of Assets	22,500	60,200	32,500	32,500
Assessment	6,879,351	6,951,000	7,380,000	7,380,000
Miscellaneous		176,400	183,800	183,800
Total Revenue	87,857,322	65,169,900	70,286,760	71,478,083
Inter-Fund Adjustments	1,296,778	584,960	971,443	971,228
Total	$170,470,021	170,149,770	187,208,203	193,787,592

SANTA CLARA VALLEY WATER DISTRICT
COMPARATIVE BUDGET
OUTLAY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
District Labor & Overhead	$ 16,508,994	14,014,094	15,872,212	15,872,212
Contract Services	10,391,611	50,380,364	123,640,501	123,791,069
Land & Structures	14,005,432	5,545,275	7,663,012	8,138,012
Equipment	706,149	1,713,768	2,713,166	2,713,166
Subtotal	41,612,186	71,653,501	149,888,891	150,514,459
Loans				
District	590,157	508,800	684,765	684,765
Other	62,500			
Debt Service	5,845,193	9,389,003	9,105,448	9,105,448
Inter-Fund Adjustment	1,301,861	605,380	971,228	971,228
Total Expenditures	49,411,897	82,156,684	160,650,332	161,275,900
Reserve Appropriations		87,993,086	26,557,871	32,511,692
Total Appropriated	49,411,897	170,149,770	187,208,203	193,787,592
Balance End of Year	121,058,124			
Total	$170,470,021	170,149,770	187,208,203	193,787,592

SANTA CLARA VALLEY WATER DISTRICT
DETAIL OF BUDGET 1985-86

REVENUE SUMMARY

	FLOOD CONTROL ZONES					WATER		EQUIP. WORK	
	Northwest	No. Central	Central	East	South	UTILITY	DISTRICT	CAP. FUND	TOTAL
Balance Beginning of Year	$2,650,140	2,472,646	22,585,299	2,632,429	0	86,131,758	3,944,658	921,351	121,338,281
Revenue Sources									
Property Taxes									
Secured	1,159,142	1,639,299	1,966,371	1,814,108	281,259	12,593,274	973,901		20,427,354
Unsecured	184,661	261,153	313,258	289,002	44,807	885,149	155,150		2,133,180
Delinquent	72,000	100,000	118,000	109,000	12,000	660,500	60,000		1,131,500
Interest	184,000	168,000	1,792,000	200,000		6,520,000	320,000	68,000	9,252,000
Agreements & Advances									
City of Palo Alto	135,000								135,000
Loan					684,765				684,765
Property Rental	195,834	11,855	124,969	5,795	725	4,000			343,178
Bureau of Reclamation									
Dept. of Water Resources Reimb.					861,750				861,750
Gavilan Water Conservation District					5,000	28,000			33,000
Loma Prieta Resource Conservation					500				500
City of Gilroy						53,000			53,000
San Jose Water Company						5,000			5,000
State Water Resources Control Board									
Regional Water Quality Control Board									
Groundwater Charges						16,014,247			16,014,247
Surface Water Charges						103,000			103,000
Treated Water Charges						12,690,809			12,690,809
Reclaimed Water Sales						13,500			13,500
Sales of Assets								32,500	32,500
Assessment	1,175,000	1,990,000	2,235,000	1,650,000	330,000				7,380,000
Miscellaneous	2,000	1,200	9,400	2,000	4,200	95,000	70,000		183,800
Total Revenue	3,107,637	4,171,507	6,558,998	4,069,905	2,225,006	49,665,479	1,579,051	100,500	71,478,083
Inter-Fund Adjustment:									
Equipment Working Capital Fund								971,228	971,228
Land Use Review	(5,568)	(54,225)	(45,646)	(33,184)	138,623				
Total	$5,752,209	6,589,928	29,098,651	6,669,150	2,363,629	135,797,237	5,523,709	1,993,079	193,787,592

SANTA CLARA VALLEY WATER DISTRICT
DETAIL OF BUDGET 1985-86

OUTLAY SUMMARY

	FLOOD CONTROL ZONES					WATER		EQUIP. WORK	
	Northwest	No. Central	Central	East	South	UTILITY	DISTRICT	CAP. FUND	TOTAL
District Labor & Overhead	$1,172,989	1,032,352	1,671,710	823,962	1,029,798	9,182,078	460,642	498,681	15,872,212
Contract Services	2,878,676	3,200,517	23,023,201	4,295,575	420,898	89,125,332	400,700	446,170	123,791,069
Land & Structures	201,050	51,700	2,617,500	412,000	524,000	3,751,500	580,262		8,138,012
Equipment						1,653,900	652,091	407,175	2,713,166
Subtotal	4,252,715	4,284,569	27,312,411	5,531,537	1,974,696	103,712,810	2,093,695	1,352,026	150,514,459
Loans									
District							684,765		684,765
Debt Service	207,252	730,226				8,167,970			9,105,448
Inter-Fund Adjustment	96,830	101,786	117,404	125,177	62,765	385,859	33,073	48,334	971,228
Total Expenditures	4,556,797	5,116,581	27,429,815	5,656,714	2,037,461	112,266,639	2,811,533	1,400,360	161,275,900
Provisions For Reserves	1,195,412	1,473,347	1,668,836	1,012,436	326,168	23,530,598	2,712,176	592,719	32,511,692
Total Appropriated	5,752,209	6,589,928	29,098,651	6,669,150	2,363,629	135,797,237	5,523,709	1,993,079	193,787,592
Balance End of Year									
Total	5,752,209	6,589,928	29,098,651	6,669,150	2,363,629	135,797,237	5,523,709	1,993,079	193,787,592

SANTA CLARA VALLEY WATER DISTRICT
DETAIL OF BUDGET 1985-86

PROVISIONS FOR RESERVES

	FLOOD CONTROL ZONES					WATER		EQUIP. WORK	
	Northwest	No. Central	Central	East	South	UTILITY	DISTRICT	CAP. FUND	TOTAL
Replacement Appropriation	$					3,427,170		542,719	3,969,889
Major Facilities Appropriation	1,185,412	1,463,347	1,568,836	1,002,436	325,168				5,545,199
In-County Distribution Sys. Approp.						19,103,428			19,103,428
Inter-Fund Loan Appropriation							2,612,176		2,612,176
Contingency Appropriation	10,000	10,000	100,000	10,000	1,000	1,000,000	100,000	50,000	1,281,000
	$1,195,412	1,473,347	1,668,836	1,012,436	326,168	23,530,598	2,712,176	592,719	32,511,692

STATUS OF BONDED INDEBTEDNESS

	Total Amount Sold	Date of Issue	Average Interest Rate	Outstanding as of 6/30/85	1985-86 Redemption Principal	1985-86 Redemption Interest	1985-86 Redemption Total
Northwest Zone							
Series A	$ 2,625,000	1/1/57	3.466%	$325,000	100,000	9,899	109,899
Series B	2,304,000	7/1/58	3.330%	339,000	90,000	7,353	97,353
	4,929,000			664,000	190,000	17,252	207,252
North Central Zone							
Series A	4,000,000	1/1/64	3.383%	1,750,000	160,000	51,041	211,041
Series B	5,000,000	7/1/65	3.320%	2,350,000	190,000	68,051	258,051
Series C	3,750,000	8/1/73	5.492%	2,990,000	95,000	166,134	261,134
	12,750,000			7,090,000	445,000	285,226	730,226
Water Utility							
Series A	15,500,000	1/1/64	3.463%	8,880,000	380,000	316,762	696,762
Series B	14,200,000	6/1/66	3.885%	10,620,000	295,000	413,970	708,970
Series C	3,500,000	8/1/68	4.834%	2,765,000	65,000	131,749	196,749
Series D	8,850,000	3/1/72	5.285%	7,660,000	130,000	413,636	543,636
	42,050,000			29,925,000	870,000	1,276,117	2,146,117
Revenue Bonds							
Series B	21,000,000	4/1/80	9.447%	18,190,000	1,000,000	1,704,540	2,704,540
Series C	33,000,000	5/1/84	9.713%	32,900,000	120,000	3,197,313	3,317,313
	54,000,000			51,090,000	1,120,000	4,901,853	6,021,853
Combined Total	$113,729,000			88,769,000	2,625,000	6,480,448	9,105,448

FLOOD CONTROL ZONES

NORTHWEST

NORTH CENTRAL

CENTRAL

EAST

SOUTH

NORTHWEST ZONE

Northwest Zone: March, 1983

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$ 4,119,340	2,631,554	2,300,000	2,650,140
Revenue Sources				
Property Taxes	1,251,628	1,291,567	1,416,537	1,410,235
Interest	383,259	420,220	184,000	184,000
Agreements and Advances	314,860	209,000	330,834	330,834
Assessment	1,108,134	1,123,000	1,175,000	1,175,000
Other	49,510	48,550	2,000	2,000
Total Revenue Sources	3,107,391	3,092,337	3,108,371	3,102,069
Total Available	$ 7,226,731	5,723,891	5,408,371	5,752,209

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 131,409	272,616	239,217	239,217
Construction	1,070,444	3,114,644	2,803,363	2,803,363
Maintenance	1,155,908	878,073	1,109,917	1,109,917
Operations	87,961	101,119	85,798	85,798
Administration	37,528	75,355	111,250	111,250
Total Program Outlay	2,483,250	4,441,807	4,349,545	4,349,545
Debt Service	215,483	213,919	207,252	207,252
Major Facility Appropriation		697,206	841,574	1,185,412
Contingency Appropriation		10,000	10,000	10,000
Special Contingency Appropriation		360,959		
Total Appropriated	2,698,733	5,723,891	5,408,371	5,752,209
Balance End of Year	4,527,998			
Total	$ 7,226,731	5,723,891	5,408,371	5,752,209

BACKGROUND INFORMATION

The Northwest Zone is defined by geographic boundaries encompassing the tributaries and watersheds of San Francisquito Creek, Matadero Creek, Barron Creek, Adobe Creek, Stevens Creek and Permanente Creek. Also included in this zone is Stevens Creek Reservoir. The geographic area includes the Cities of Palo Alto, Los Altos, Los Altos Hills and Mountain View and portions of Cupertino and Sunnyvale.

Planning Program

The funds budgeted in this program are to provide for the continuation of coordination with the Corps of Engineers on the San Francisco Bay Shoreline Planning Study, continuation of the Districtwide waterways planning study, sedimentation studies, and planning studies for Adobe, Permanente, and Matadero Creeks. Planning projects are:

San Francisco Bay Shoreline Study — $1,273

This study will provide for liaison with a Corps of Engineers' study to examine the various alternatives for providing protection to the San Francisco Bay shoreline from saltwater flooding. 25 percent of the total cost of this project is allocated to each of the Northwest, North Central, Central and East Flood Control Zone Cost Centers.

Waterways Planning Study — $30,426

This project is set up in two phases. Phase I provides for revising and expanding the Waterways Management Model to include a benefit/construction scheduling program. It is allocated equally to all five zones. Phase II continues the Waterways Planning Study. Emphasis will be on definition of erosion and sediment problems and the environmental setting, as well as evaluation of alternatives, identification of funding sources and preparation of the final master plan.

Sedimentation Study — $8,181

This study is to investigate the causes and impacts of sedimentation problems in the Northwest Zone and will identify alternative solutions to reduce high maintenance costs. One third of the cost is allocated to this zone.

Adobe Creek — $9,983

This project consists of completion of an Engineer's Report and Environmental Impact Report for Adobe Creek between the Palo Alto Flood Basin and El Camino Real.

Matadero Creek — $153,107

This project consists of preparing an Engineer's Report and Environmental Impact Report for Matadero Creek between the Palo Alto Flood Basin and Foothill Avenue.

Permanente Creek Sedimentation Study — $36,247

This project provides coordination with the United States Geological Survey to determine the cause of severe sediment deposition from the Permanente Creek Watershed. This is the second year of a three year cooperative study.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of existing physical assets. The budgeted amount of $2,803,363 includes the following projects:

Ordinance Construction — $12,461

This project provides District labor needed to review, condition, and inspect construction of flood control projects by others.

Adobe Creek — $1,671,589

This project consists of completion of plans and specifications and construction of flood control measures between Palo Alto Flood Basin and Louis Road.

Permanente Diversion Channel — $136,504

This project consists of completion of construction of flood control measures between Carmel Terrace and Grant Road.

Stevens Creek — $313,941

This project provides for completion of the remaining portions of the project between Highway 101 and Dana Avenue, construction of revegetation measures at Evelyn Avenue and construction of a stream gage station. This project also provides for purchase and management of properties subject to potential bank failure near Diericx Drive.

Palo Alto Flood Basin — $668,868

This project includes completion of plans and specifications, and construction of levees around the basin.

Maintenance Program

Flood Control Facilities - Special — $249,749

Funds budgeted in this project will be used to repair various sites in the zone that were damaged during the winter storms. Actual costs will be charged to the related projects. The City of Palo Alto will pay 50% of all costs for damage on San Francisquito Creek adjacent to Palo Alto Avenue. This project also includes 15% of the computerized system development for planned maintenance referred to in the General Information Section. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

Maintenance - General — $860,168

Funds budgeted in this project provide for maintenance requirements within the Cost Center.

Operations Program

This program provides funds for ongoing land use review and land ownership management. The budgeted amount of $85,798 includes the following projects:

Land Use Review $67,437

Application of Ordinance 83-2 to assist other agencies in land use decisions.

Technical Services $18,361

Funds will be provided for field identification of District lands and land rights not a part of dedication proceedings or active budgeted projects.

Administration Program

Benefit Assessment $10,408

The cost of annual review and production of the benefit assessment program is budgeted in this program. The cost is allocated to the five flood control zones in relation to the total assessment income anticipated in each zone.

This program also includes Insurance and Cost Center Support Projects totaling $100,842.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Land Use Review	$			67,437		67,437
Technical Services				18,361		18,361
Benefit Assessment					10,408	10,408
San Francisco Bay Shoreline Study	1,273					1,273
Waterways Planning Study - Phase I	12,601					12,601
Waterways Planning Study - Phase II	17,825					17,825
Sedimentation Study	8,181					8,181
Insurance					60,748	60,748
Cost Center Support Project					40,094	40,094
Ordinance Construction		12,461				12,461
Flood Control Facilities - Special			249,749			249,749
Adobe Creek	9,983	1,671,589				1,681,572
Matadero Creek	153,107					153,107
Permanente Diversion Channel		136,504				136,504
Permanente Creek Sedimentation Study	36,247					36,247
Stevens Creek		313,941				313,941
Palo Alto Flood Basin		668,868				668,868
Northwest Zone - General			860,168			860,168
Total	$239,217	2,803,363	1,109,917	85,798	111,250	4,349,545

NORTH CENTRAL ZONE

North Central Zone: March, 1983

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$ 2,928,459	1,535,839	2,100,000	2,472,646
Revenue Sources				
Property Taxes	1,703,525	1,703,967	1,905,475	1,946,227
Interest	239,114	265,480	168,000	168,000
Agreements and Advances	72,575	5,000	11,855	11,855
Assessment	1,806,916	1,827,000	1,990,000	1,990,000
Other	31,267	1,720	1,200	1,200
Total Revenue Sources	3,853,397	3,803,167	4,076,530	4,117,282
Total Available	$ 6,781,856	5,339,006	6,176,530	6,589,928

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 48,297	155,228	225,258	225,258
Construction	312,365	1,058,926	2,114,914	2,114,914
Maintenance	1,716,375	1,740,687	1,828,693	1,828,693
Operations	94,494	129,159	97,783	97,783
Administration	42,176	88,107	119,707	119,707
Total Program Outlay	2,213,707	3,172,107	4,386,355	4,386,355
Debt Service	735,738	738,415	730,226	730,226
Major Facility Appropriation		980,548	1,049,949	1,463,347
Contingency Appropriation		10,000	10,000	10,000
Special Contingency Appropriation		437,936		
Total Appropriated	2,949,445	5,339,006	6,176,530	6,589,928
Balance End of Year	3,832,411			
Total	$ 6,781,856	5,339,006	6,176,530	6,589,928

BACKGROUND INFORMATION

The North Central Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe Slough, Sunnyvale West Outfall, Sunnyvale East Outfall, Calabazas Creek, San Tomas Aquino Creek and Saratoga Creek. The geographic area includes the City of Saratoga and portions of the Cities of Sunnyvale, Santa Clara, Campbell, Cupertino, Monte Sereno, San Jose and the Town of Los Gatos.

Planning Program

The funds budgeted in this program provide for continuation of coordination with the Corps of Engineers on the San Francisco Bay Shoreline Study, continuation of the Districtwide Waterways Planning Study, and a study of sedimentation problems. Planning projects are:

San Francisco Bay Shoreline Study — $1,273

This study will provide for liaison with a Corps of Engineers' study to examine the various alternatives for providing protection to the San Francisco Bay shoreline from saltwater flooding. 25 percent of the total cost of this project is allocated to each of the Northwest, North Central, Central and East Flood Control Zone Cost Centers.

Waterways Planning Study — $30,426

This project is set up in two phases. Phase I provides for revising and expanding the Waterways Management Model. This study will provide a benefit/construction scheduling program. It is allocated equally to all five zones. Phase II continues the Waterways Planning Study within the District's hydrologic zones. Emphasis will be on definition of erosion and sediment problems and the environmental setting, as well as evaluation of alternatives, identification of funding sources and preparation of the final master plan.

Sedimentation Study — $8,181

This study is to investigate the causes and impacts of sedimentation problems in the North Central Zone and will identify alternative solutions to reduce high maintenance costs. One third of the cost is allocated to this zone.

Calabazas Creek — $185,378

This project provides for continuation of a planning study from Lawrence Expressway upstream to Miller Avenue.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of existing physical assets. The budgeted amount of $2,114,914 includes the following projects:

Ordinance Construction — $24,336

This project provides District labor needed to review, condition, and inspect construction of flood control projects by others.

Saratoga Creek — $2,090,578

This project provides for completion of construction of flood control measures, including landscaping, between Cabrillo and Benton Avenues. It also provides for completion of plans and specifications, and construction of flood control measures between Benton Avenue and Homestead Road, plus beginning preparation of plans and specifications for flood control measures between Homestead Road and Lawrence Expressway.

Maintenance Program

Flood Control Facilities - Special $160,655

Funds budgeted in this project will be used to repair various sites in the zone that were damaged during the winter storms. Actual costs will be charged to the related projects. This project also includes 15% of the computerized system development for planned maintenance referred to in the General Information Section. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

Guadalupe Slough $503,535

Funds budgeted in this project will be used to complete the current project to maintain the levees to required heights in accordance with the Leslie Salt Company agreement executed in 1963.

Maintenance - General $1,164,503

Funds budgeted in this project provide for maintenance requirements within the Cost Center.

Operations Program

This program provides funds for ongoing land use review and land ownership management. The budget amount of $97,783 includes the following projects:

Land Use Review $79,010

Application of Ordinance 83-2 assist other agencies in land use decisions.

Technical Services $18,773

Funds will be provided for field identification of District lands and land rights not a part of dedication proceedings or active budgeted projects.

Administration Program

Benefit Assessment $18,217

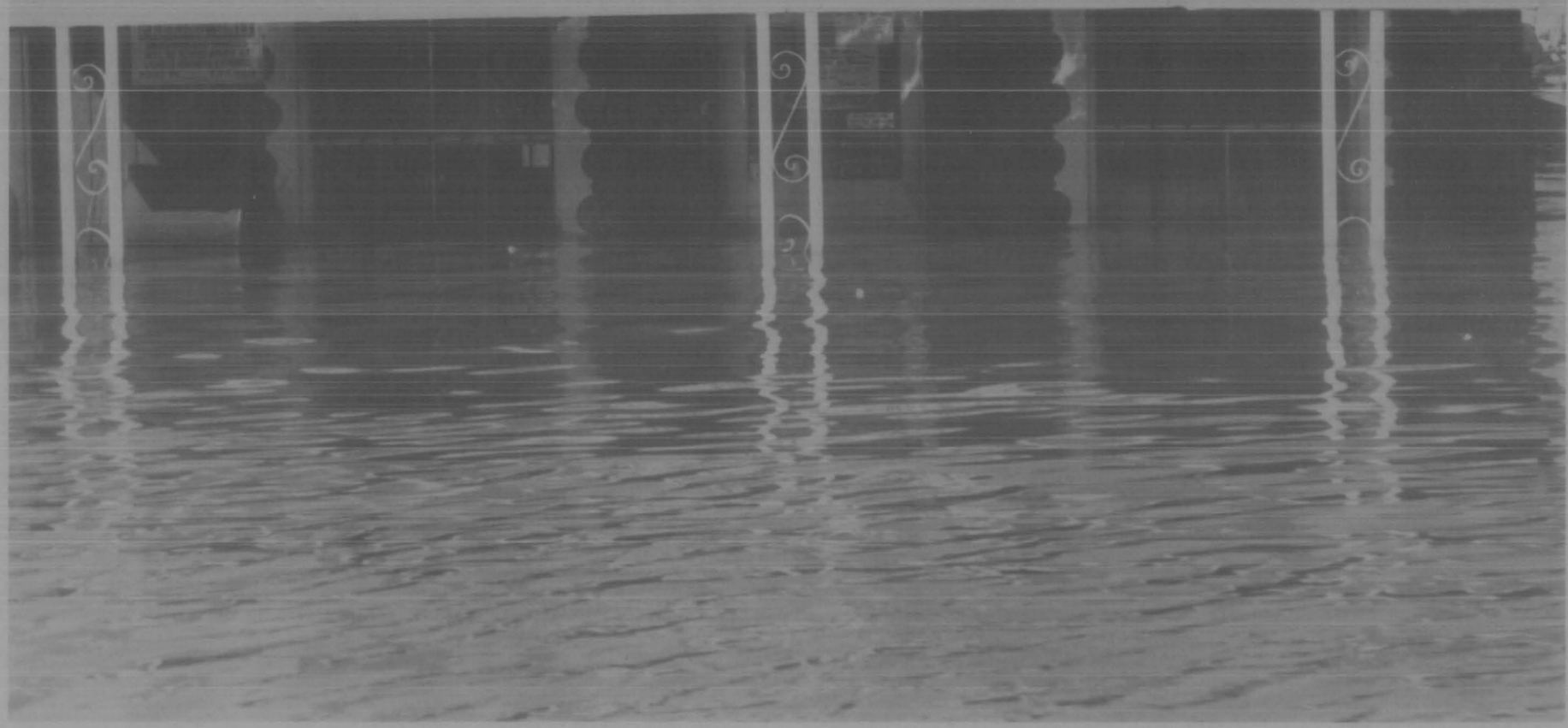
The cost of annual review and production of the benefit assessment program is budgeted in this program. The cost is allocated to the five flood control zones in relation to the total assessment income anticipated in each zone.

This program includes Insurance and Cost Center Support Projects totaling $101,490.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Land Use Review	$			79,010		79,010
Technical Services				18,773		18,773
Benefit Assessment					18,217	18,217
San Francisco Bay Shoreline Study	1,273					1,273
Waterways Planning Study - Phase I	12,601					12,601
Waterways Planning Study - Phase II	17,825					17,825
Sedimentation Study	8,181					8,181
Insurance					67,753	67,753
Cost Center Support Project					33,737	33,737
Ordinance Construction Special		24,336				24,336
Flood Control Facilities - Special			160,655			160,655
Calabazas Creek	185,378					185,378
Saratoga Creek		2,090,578				2,090,578
Guadalupe Slough			503,535			503,535
North Central Zone - General			1,164,503			1,164,503
Total	$225,258	2,114,914	1,828,693	97,783	119,707	4,386,355

CENTRAL ZONE



Central Zone: March, 1983

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$22,329,522	20,532,862	22,400,000	22,585,299
Revenue Sources				
Property Taxes	1,785,505	1,862,761	2,050,732	2,351,983
Interest	2,125,808	2,205,680	1,792,000	1,792,000
Agreements and Advances	135,052	35,000	124,969	124,969
Assessment	2,095,679	2,124,000	2,235,000	2,235,000
Other	100,478	31,700	9,400	9,400
Total Revenue Sources	6,242,522	6,259,141	6,212,101	6,513,352
Total Available	$28,572,044	26,792,003	28,612,101	29,098,651

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 311,756	390,532	357,652	357,652
Construction	4,877,389	23,037,498	25,145,138	25,145,138
Maintenance	2,007,172	1,433,521	1,669,607	1,669,607
Operations	117,593	152,532	138,750	138,750
Administration	35,187	78,638	118,668	118,668
Total Program Outlay	7,349,097	25,092,721	27,429,815	27,429,815
Debt Service				
Major Facility Appropriation		1,045,894	1,082,286	1,568,836
Contingency Appropriation		100,000	100,000	100,000
Special Contingency Appropriation		553,388		
Total Appropriated	7,349,097	26,792,003	28,612,101	29,098,651
Balance End of Year	21,222,947			
Total	$28,572,044	26,792,003	28,612,101	29,098,651

BACKGROUND INFORMATION

The Central Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Guadalupe River. The major tributaries are Los Gatos Creek, Canoas Creek, Ross Creek, Guadalupe Creek and Alamitos Creek. Also included in this zone are Calero, Almaden, Guadalupe, Lexington and Vasona Reservoirs. The geographic area includes portions of the Cities of Santa Clara, San Jose, Campbell, Monte Sereno and the Town of Los Gatos.

Planning Program

Funds budgeted in the program provide for continuation of coordination with the Corps of Engineers on the San Francisco Bay Shoreline and Guadalupe River studies, continuation of the Districtwide Waterways Planning Study, and planning studies on Guadalupe River.

Guadalupe River Corps of Engineers Study — $64,396

This project provides District support for the Corps of Engineers' study on Guadalupe River and Coyote Creek.

San Francisco Bay Shoreline Study — $1,273

This study will provide for liaison with a Corps of Engineers' study to examine the various alternatives for providing protection to the San Francisco Bay shoreline from saltwater flooding. 25 percent of the total cost of this project is allocated to each of the Northwest, North Central, Central and East Flood Control Zone Cost Centers.

Waterways Planning Study — $40,525

This project is set up in two phases. Phase I provides for revising and expanding the Waterways Management Model. This study will provide a benefit/construction scheduling program. It is allocated equally to all five zones. Phase II continues the Waterways Planning Study within the District's hydrologic zones. Emphasis will be on definition of erosion and sediment problems and the environmental setting, as well as evaluation of alternatives, identification of funding sources and preparation of the final master plan.

Guadalupe River — $251,458

This project provides funds for a planning study from Park Avenue upstream to Blossom Hill Road.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of existing physical assets. The budgeted amount of $25,145,138 includes the following projects:

Ordinance Construction — $33,603

This project provides District labor needed to review, condition, and inspect construction of flood control projects by others.

Alamitos Creek — $291,827

This project provides for the first year of a two year maintenance program for landscaping installed in 1984-85. Funds are also provided for reimbursement to the City of San Jose for the District's share of costs to replace the McKean Road bridge, and for acquisition of maintenance and flooding easements between Guadalupe River and Camden Avenue.

Guadalupe River $20,424,764

This project provides for preparation of plans and specifications for lengthening and widening of the Hedding Street bridge; and for raising the Gold Street Bridge; for right of way acquisition and local share of construction costs for the United States Corps of Engineer's project between Highway 17 and Interstate 280, including the District's share of costs on the first phase of a box culvert upstream of Park Avenue; for completion of right of way acquisition between Southern Pacific Railroad and the County's Marina in Alviso; for raising or undergrounding the Hetch Hetchy Pipeline Crossing, and for advance right of way acquisition and future construction of the project upstream of Highway 280 to Blossom Hill Road.

Lower Coyote Creek $4,394,944

This project provides funds for completion of plans and specifications and construction for the initial phase of the Bay to Highway 237 reach. These funds represent the remainder of the total amount to which the Central Zone will benefit from a flood control project on Lower Coyote Creek.

Maintenance Program

Flood Control Facilities - Special $851,609

Funds budgeted in this project will be used to repair various sites in the zone that were damaged during the winter storms. The primary project is to repair erosion problems on Los Gatos Creek between Lincoln and Meridian Avenue. This project also includes 15% of the computerized system development for planned maintenance referred to in the General Information Section. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

Maintenance - General $817,998

Funds budgeted in this project provide for maintenance requirements within the Cost Center.

Operations Program

This program provides funds for ongoing land use review and land ownership management. The budgeted amount of $138,750 includes the following projects:

Land Use Review $95,272

Application of Ordinance 83-2 to assist other agencies in land use decisions.

Technical Services $43,478

Funds will be provided for field identification of District lands and land rights not a part of dedication proceedings or active budgeted projects.

Benefit Assessment $19,519

The cost of annual review and production of the benefit assessment program is budgeted in this program. The cost is allocated to the five flood control zones in relation to the total assessment income anticipated in each zone.

This program includes Insurance and Cost Center Support Projects totaling $99,149.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Guadalupe River Corps of Engineers Study	$ 64,396					64,396
Land Use Review				95,272		95,272
Technical Services				43,478		43,478
Benefit Assessment					19,519	19,519
San Francisco Bay Shoreline Study	1,273					1,273
Waterways Planning Study - Phase I	12,601					12,601
Waterways Planning Study - Phase II	27,924					27,924
Insurance					60,921	60,921
Cost Center Support Project					38,228	38,228
Ordinance Construction Special		33,603				33,603
Flood Control Facilities - Special			851,609			851,609
Alamitos Creek		291,827				291,827
Guadalupe River	251,458	20,424,764				20,676,222
Lower Coyote Creek		4,394,944				4,394,944
Central Zone - General			817,998			817,998
Total	$357,652	25,145,138	1,669,607	138,750	118,668	27,429,815

EAST ZONE

East Zone: January, 1983

REVENUE SUMMARY

	Actual 1985-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$2,977,695	414,364	2,500,000	2,632,429
Revenue Sources				
Property Taxes	1,698,278	1,786,663	2,005,769	2,178,926
Interest	198,184	78,565	200,000	200,000
Agreements and Advances	473,222	5,000	5,795	5,795
Assessment	1,544,213	1,555,000	1,650,000	1,650,000
Other	41,559	3,240	2,000	2,000
Total Revenue Sources	3,955,456	3,428,468	3,863,564	4,036,721
Total Available	6,933,151	3,842,832	6,363,564	6,669,150

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 73,161	101,898	157,632	157,632
Construction	2,053,296	966,130	4,369,711	4,369,711
Maintenance	1,622,319	838,937	894,845	894,845
Operations	112,402	144,096	137,974	137,974
Administration	30,064	72,655	96,552	96,552
Total Program Outlay	3,891,242	2,123,716	5,656,714	5,656,714
Loan		300,000		
Major Facility Appropriation		968,217	696,850	1,002,436
Contingency Appropriation		10,000	10,000	10,000
Special Contingency Appropriation		440,899		
Total Appropriated	3,891,242	3,542,832	6,363,564	6,669,150
Balance End of Year	3,041,909			
Total	$6,933,151	3,842,832	6,363,564	6,669,150

BACKGROUND INFORMATION

The East Zone is defined by geographic boundaries encompassing the tributaries and watersheds of Coyote Creek. The major tributaries are Lower Penitencia Creek, Scott Creek, Berryessa Creek, Upper Penitencia Creek, Silver Creek, Thompson Creek, Fisher Creek and Packwood Creek. Also included in this zone are Anderson and Coyote Reservoirs. The geographic area includes the City of Milpitas and portions of the Cities of San Jose and Morgan Hill.

Planning Program

Funds budgeted in the program provide for continuation of coordination with the Corps of Engineers on the San Francisco Bay Shoreline Planning Study, and the Berryessa Creek Project for construction of coordination with the United States Soil Conservation Service on the Upper Penitencia Creek Study, the Waterways Planning Study, and a sedimentation study. Planning projects are:

San Francisco Bay Shoreline Study — $1,282

This study will provide for liaison with a proposed Corps of Engineers' study to examine the various alternatives for providing protection to the San Francisco Shoreline from saltwater flooding. 25 percent of the total cost of this project is allocated to each of the Northwest, North Central, Central and East Flood Control Zone Cost Centers.

Waterways Planning Study — $12,601

This Phase I Study provides for revising and expanding the Waterways Management Model. This study will provide a benefit/construction scheduling program. It is allocated equally to all five zones.

Sedimentation Study — $8,433

This study provides funds to investigate the causes and impacts of the sedimentation problems in the East Zone and will identify alternative solutions to reduce high maintenance costs. Thirty four percent of the cost of this study is allocated to this cost center.

Berryessa Creek — $126,253

This project provides for District support and liaison work on the proposed Berryessa Creek Flood Control Project by the Corps of Engineers.

Penitencia Creek - Upper — $9,063

This project provides for the nonreimbursable coordination and liaison work on the proposed Upper Penitencia Creek Watershed Project. The Soil Conservation Service is conducting the Watershed Planning Study.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement of the life or value of existing physical assets. The budgeted amount of $4,369,711 includes the following projects:

Ordinance Construction $66,670

This project provides District labor needed to review, condition, and inspect construction of flood control projects by others.

Coyote Creek $3,121,642

This provides funds for beginning construction of flood control improvements between San Francisco Bay and Highway 237. The Central Zone, which will also benefit from improvement in this reach, is providing funds for all District labor to prepare plans and specifications and some funds for construction of initial phases.

Silver Creek - Lower $871,019

This project is for right of way acquistion and construction from Coyote Creek to Lake Cunningham in cooperation with the Soil Conservation Service.

Penitencia Creek - Lower $310,380

This provides funds for an agreement with Caltrans for construction of parapet walls at Highway 17. This work will complete construction of the flood control project between Marylinn Drive and Montague Expressway.

Maintenance Program

Flood Control Facilities - Special $23,609

This project includes 15% of the computerized system development for planned maintenance referred to in the General Information Section. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

Maintenance - General $871,236

Funds budgeted in this project provide for maintenance requirements within the Cost Center.

Operations Program

This program provides funds for ongoing land use review and land ownership management. The budgeted amount of $137,974 includes the following projects:

Land Use Review $105,198

Application of Ordinance 83-2 to assist other agencies in land use decisions.

Technical Services $32,776

Funds will be provided for field identification of District lands and land rights not a part of dedication proceedings or active budgeted projects.

Administration Program

Benefit Assessment $14,313

The cost of annual review and production of the benefit assessment program is budgeted in this program. The cost is allocated to the zone in relation to the total assessment income anticipated.

This program also includes Insurance and Cost Center Support Projects totaling $82,239.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construc-tion	Maintenance	Operations	Adminis-tration	
Land Use Review	$			105,198		105,198
Technical Services				32,776		32,776
Benefit Assessment					14,313	14,313
San Francisco Bay Shoreline Study	1,282					1,282
Waterways Planning Study - Phase I	12,601					12,601
Sedimentation Study	8,433					8,433
Insurance					47,999	47,999
Cost Center Support Project					34,240	34,240
Ordinance Construction		66,670				66,670
Flood Control Facilities - Special			23,609			23,609
Berryessa Creek	126,253					126,253
Coyote Creek		3,121,642				3,121,642
Silver Creek - Lower		871,019				871,019
Penitencia Creek - Upper	9,063					9,063
Penitencia Creek - Lower		310,380				310,380
East Zone - General			871,236			871,236
Total	$157,632	4,369,711	894,845	137,974	96,552	5,656,714

SOUTH ZONE

South Zone: January, 1982

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$ 179,144	-	-	
Revenue Sources				
Property Taxes	375,680	435,313	471,549	476,689
Interest				
Agreements and Advances	307,553	425,464	1,552,740	1,552,740
Assessment	324,409	322,000	330,000	330,000
Other	74,185	219,140	4,200	4,200
Total Revenue Sources	1,081,827	1,401,917	2,358,489	2,363,629
Total Available	$1,260,971	1,401,917	2,358,489	2,363,629

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 10,011	24,963	72,321	72,321
Construction	653,152	525,860	1,329,226	1,329,226
Maintenance	347,978	267,006	420,535	420,535
Operations	84,854	129,025	131,431	131,431
Administration	34,271	49,831	83,948	83,948
Total Program Outlay	1,130,266	996,685	2,037,461	2,037,461
Debt Service				
Major Facility Appropriation		324,415	320,028	325,168
Contingency Appropriation		1,000	1,000	1,000
Special Contingency Appropriation		79,817		
Total Appropriated	1,130,266	1,401,917	2,358,489	2,363,629
Balance End of Year	130,705			
Total	$1,260,971	1,401,917	2,358,489	2,363,629

BACKGROUND INFORMATION

The South Zone is defined by geographic boundaries encompassing the tributaries and watersheds of the Pajaro River in Santa Clara County. The major tributaries are Little Llagas Creek, Llagas Creek, West Branch of the Llagas Creek, Uvas-Carnadero Creek, Pescadero Creek and Pacheco Creek. The zone includes the City of Gilroy and portions of the Cities of San Jose and Morgan Hill. No additional funds are being loaned to this zone beyond the $2.2 million authorized by the Board.

Planning Program

Funds budgeted in this program provide for continuation of coordination with the Corps of Engineers on the Pajaro River project, and planning studies on Jones Creek, and Tennant-Corralitos Creeks. Planning projects are:

Pajaro River, Corps of Engineers' Study $5,169

This project provides for the liaison with the Corps of Engineers in their study of the Upper Pajaro River Basin, particularly the Uvas-Carnadero Creek area.

Waterways Planning Study $12,616

This Phase I project provides for revising and expanding the Waterways Management Model. This study will provide a benefit/construction scheduling program. It is allocated equally to all five zones.

Jones Creek $14,590

This project provides funds to investigate flooding problems from the confluence with Llagas Creek to the Alamitas Creek headwaters.

Tennant-Corralitos Creeks $39,946

This is for finalizing the study that will investigate possible interim drainage measures on Tennant-Corralitos Creeks.

Construction Program

This program provides funds for the acquisition or construction of new physical assets or the substantial improvement to the life or value of existing physical assets. The budgeted amount of $1,329,226 is required for the following projects:

Ordinance Construction $18,088

This project provides District labor needed to review, condition, and inspect construction of flood control projects by others.

Uvas-Carnadero Creek $393,539

This project provides funds for land acquisition and bridge design over the Uvas Creek Levee between Miller Avenue and Thomas Road in conjunction with the Corps of Engineers project on Uvas Creek.

Upper Llagas Creek Watershed Project $25,199

This project provides payment for reimbursable items relating to relocation of bridges and utilities on this Soil Conservation Service project.

Lower Llagas Creek Watershed Project $892,400

This project provides for advancing a portion of the reimbursable land acquisition, bridge construction, and utility relocation costs on this Soil Conservation Service project.

Maintenance Program

Flood Control Facilities - Special $12,714

This project includes 7% of the computerized system development for planned maintenance referred to in the General Information Section. An allocated project is also included to investigate and identify disposal sites for materials resulting from District Maintenance and Operation activities.

Public Law 566 (Upper) $33,913

Funds budgeted in this project will be used for maintenance of fire prevention measures in the Upper Llagas Creek Watershed, for which the District is contractually committed.

Maintenance - General $373,908

Funds budgeted in this project provide for maintenance requirements within the Cost Center.

Operations Program

This program provides funds for ongoing land use review and land ownership management. The budgeted amount of $131,431 includes the following projects:

Land Use Review $101,212

Application of Ordinance 83-2 to assist other agencies in land use decisions.

Technical Services $30,219

Funds will be provided for field identification of District lands and land rights not a part of dedication proceedings or active budgeted projects.

Administration Program

Benefit Assessment $2,620

The cost of annual review and production of the benefit assessment program is budgeted in this program. The cost is allocated to the five flood control zones in relation to the total assessment income anticipated in each zone.

This program includes Insurance and Cost Center Support Projects totaling $81,328.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construc-tion	Maintenance	Operations	Adminis-tration	
Land Use Review	$			101,212		101,212
Technical Services				30,219		30,219
Benefit Assessment					2,620	2,620
Pajaro River C of E Study	5,169					5,169
Waterways Planning Study - Phase I	12,616					12,616
Insurance					42,746	42,746
Cost Center Support Project					38,582	38,582
Ordinance Construction		18,088				18,088
Flood Control Facilities - Special			12,714			12,714
Jones Creek	14,590					14,590
Uvas-Carnadero Creek		393,539				393,539
Tennant Creek	39,946					39,946
Upper Llagas Ck Watershed Project		25,199				25,199
Lower Llagas Ck Watershed Project		892,400				892,400
Public Law 566 (Upper)			33,913			33,913
South Zone - General			373,908			373,908
Total	$ 72,321	1,329,226	420,535	131,431	83,948	2,037,461

WATER UTILITY

SOURCE OF SUPPLY

RAW WATER TRANSMISSION & DISTRIBUTION

WATER TREATMENT

TREATED WATER TRANSMISSION & DISTRIBUTION

ADMINISTRATION AND GENERAL

BACKGROUND INFORMATION

The Water Utility is operated on an Enterprise Fund Basis. Revenue is derived from water sales, groundwater extraction charges and from ad valorem taxes allocated by the County Controller as provided by law.

In November 1984 the voters approved Measure B authorizing the District to sell revenue bonds in amounts, which with accumulated reserves, will be used for construction of the In-County Distribution System.

The major sources of water revenue are from charges levied on all groundwater extracted within Zone W-2 of the District and from the sale of approximately 77,400 acre-feet of treated water. Groundwater production for this fiscal year is estimated to be 158,600 acre-feet for nonagricultural purposes and 5,900 acre-feet for use by agriculture. Other water charges will be made for surface water diversions and the sales of reclaimed water in the Gilroy area approximating 1,800 acre-feet.

A brief description of each of the water zones within the Water Utility Enterprise follows:

Zone W-1 Zone W-1 encompasses the groundwater basin in Northern Santa Clara County and small peripheral areas outside of the groundwater basin within the retail service areas of privately owned public utilities and municipal water departments using water pumped from groundwater supplies within the groundwater basin. It is the area which provides the security for general obligation bonds. The zone comprises an area of approximately 290 square miles and includes all or portions of thirteen of the County's fifteen cities, plus some unincorporated territory.

Zone W-2 This zone encompasses the Santa Clara Valley Groundwater Basin north of Metcalf Road. It includes those groundwater producing facilities that benefit from the recharge of the basin with local and imported water. A charge is levied for all groundwater extracted within this zone.

Zone W-3 This zone encompasses the land within the Coyote and Llagas Groundwater Basins in the area from Metcalf Road on the north to just south of the City of Morgan Hill. Part of the Countywide property tax within the one percent limit is allocated to this zone. Sub-zones identified as W-3.1, 3.2, 3.3 and 3.5 are local areas within the total Zone W-3 and groundwater charges are levied for water extracted within these areas.

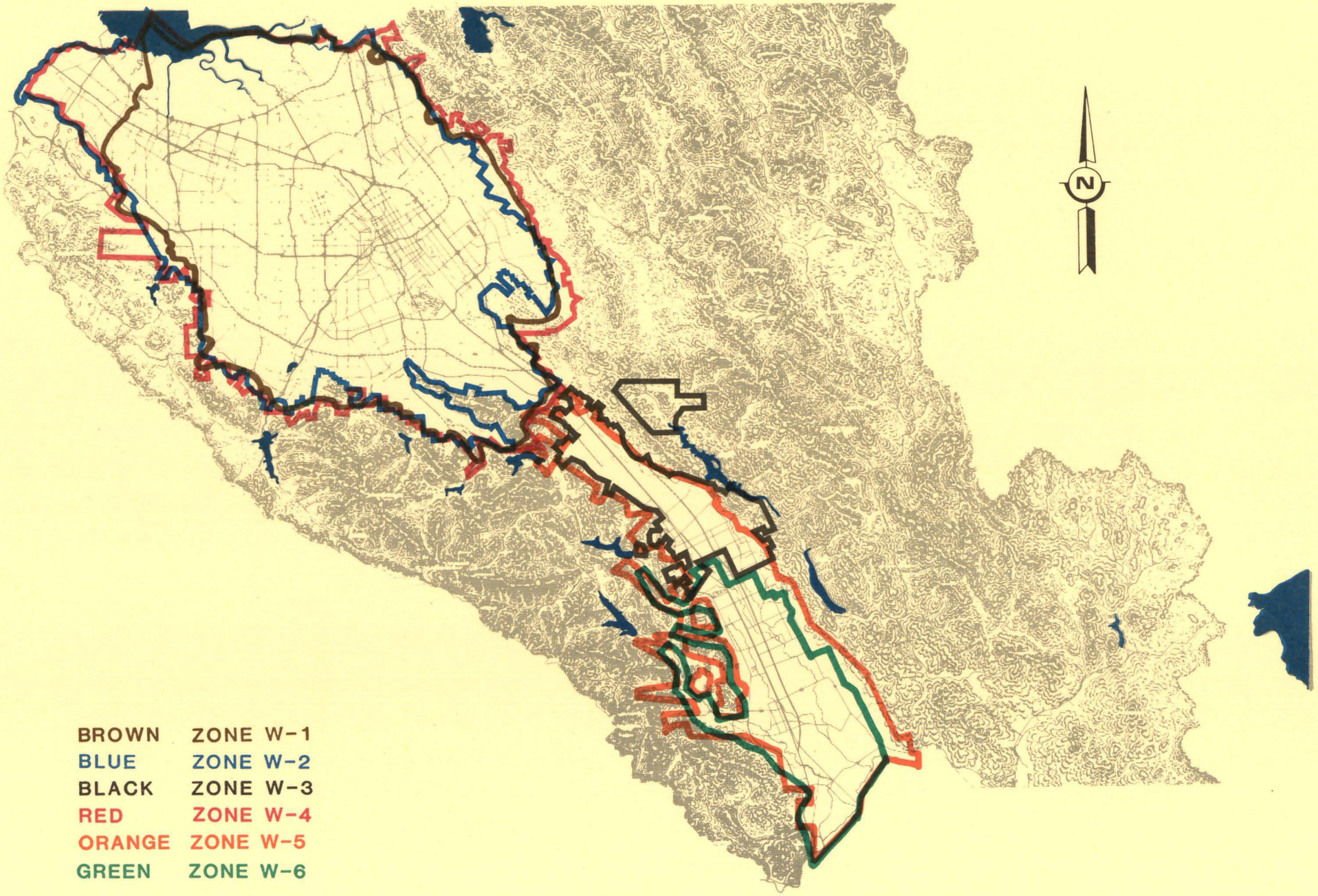
Zone W-4 This zone contains all of Zone W-2 and lands outside Zone W-2 that use or otherwise benefit from locally conserved water and from the importation and distribution of water from the South Bay Aqueduct. This area also receives an allocation of the Countywide tax levied which is used to pay for the cost of water to recover the accumulated overdraft, control land surface subsidence and sustain the emergency supply of water.

Zone W-5 This zone is comprised of the entire groundwater basin from Metcalf Road south to the Pajaro River. For the year 1985-86 no groundwater extraction charge will be levied and the requirement for filing production statements has been waived.

Zone W-6 This zone is comprised of the area of the Gavilan Water Conservation District. For 1985-86 no groundwater extraction charge will be levied and the requirement for filing water production statements has been waived.

Under uniform accounting practices adopted by the State, it is necessary to divide expenditures of the Water Utility Enterprise into various categories called cost centers. These cost centers are Source of Supply, Raw Water Transmission and Distribution, Water Treatment, Treated Water Transmission and Distribution, and Administration and General. Appropriations for each of these cost centers are shown separately.

WATER UTILITY ZONES



REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$ 43,449,475	75,653,332	81,800,000	86,131,758
Revenue Sources				
Property Taxes	9,949,380	11,108,957	13,517,213	14,138,923
Interest	5,023,555	8,751,720	6,520,000	6,520,000
Agreements and Advances	600,503	1,193,465	90,000	90,000
Groundwater Charges	11,565,457	12,599,391	16,014,247	16,014,247
Surface Water Charges	87,847	90,000	103,000	103,000
Reclaimed Water Sales	16,870	13,000 13	13,500	13,500
Treated Water Sales	11,053,453	11,457,535	12,690,809	12,690,809
Bond Sales	29,619,928			
Miscellaneous	567,492	12,600	95,000	95,000
Total Revenue Sources	68,484,485	45,226,668	49,043,769	49,665,479
Total Available	$111,933,960	120,880,000	130,843,769	135,797,237

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 1,539,560	1,791,124	1,469,078	1,619,646
Construction	8,805,140	12,398,657	83,087,591	83,087,591
Maintenance	3,352,083	6,676,564	3,780,304	3,780,304
Operations	8,413,211	12,267,202	14,761,683	14,761,683
Administration	805,402	681,934	849,445	849,445
Total Program Outlay	22,915,396	33,815,481	103,948,101	104,098,669
Debt Service	4,893,971	8,436,669	8,167,970	8,167,970
Replacement Appropriation		3,101,514	3,427,170	3,427,170
In-County Distribution System Approp		72,261,023	14,300,528	19,103,428
Contingency Appropriation		2,240,000	1,000,000	1,000,000
Special Contingency Appropriation		1,025,313		
Total Appropriated	27,809,367	120,880,000	130,843,769	135,797,237
Balance End of Year	84,124,593			
Total	$111,933,960	120,880,000	130,843,769	135,797,237

COST CENTER EXPENDITURE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Source of Supply	$ 9,100,433	16,877,632	17,480,284	17,480,284
Raw Water T&D	7,403,427	6,731,038	7,148,843	7,148,843
Water Treatment	4,533,159	6,600,387	52,616,102	52,766,670
Treated Water T&D	705,743	2,318,651	22,342,998	22,342,998
Administration & General	1,172,634	1,287,773	4,359,874	4,359,874
Total	$22,915,396	33,815,481	103,948,101	104,098,669

PROGRAM EXPENDITURE SUMMARY

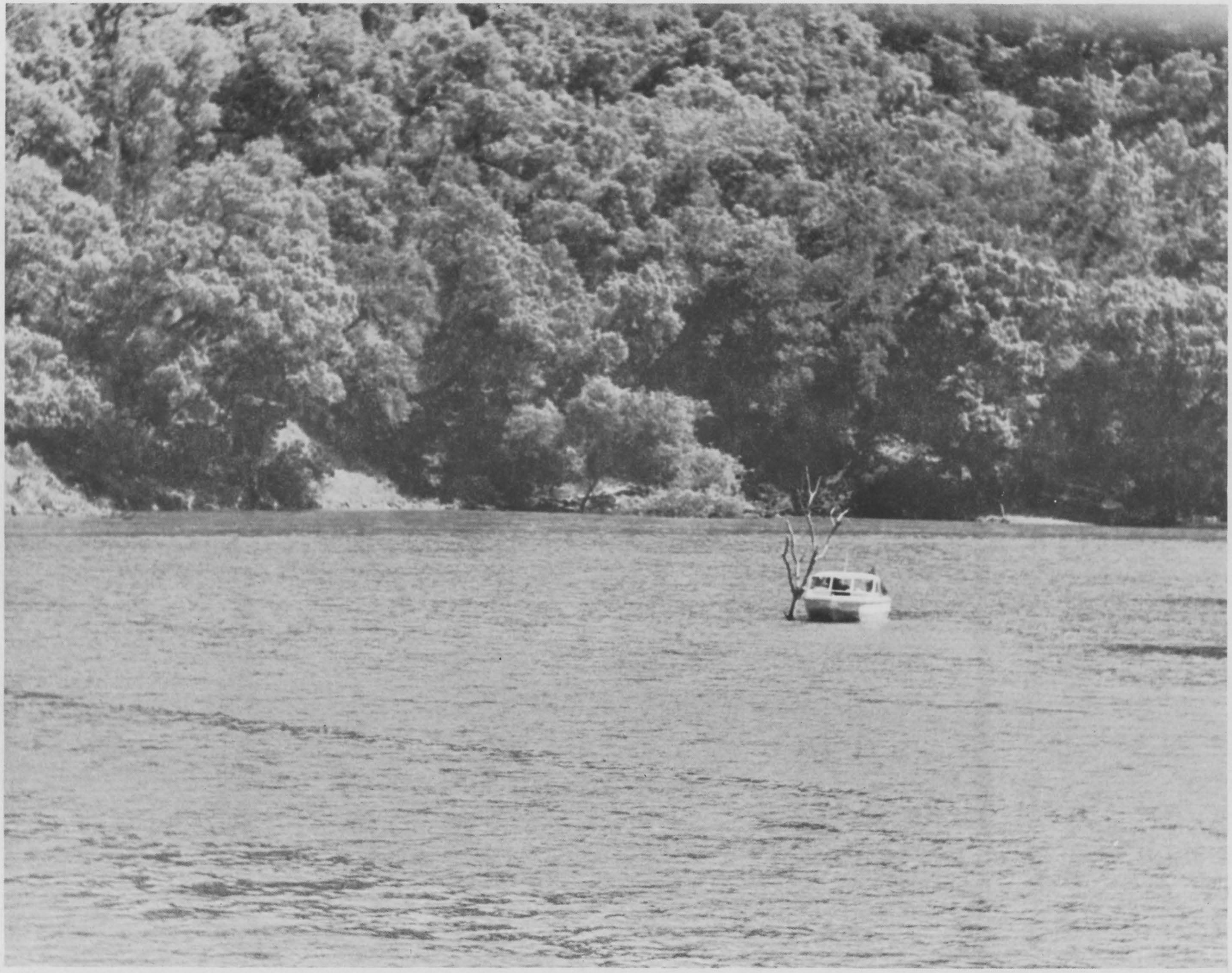
	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 1,539,560	1,791,124	1,469,078	1,619,646
Construction	8,805,140	12,398,657	83,087,591	83,087,591
Maintenance	3,352,083	6,676,564	3,780,304	3,780,304
Operations	8,413,211	12,267,202	14,761,683	14,761,683
Administration	805,402	681,934	849,445	849,445
	$22,915,396	33,815,481	103,948,101	104,098,669

WATER UTILITY RATE SUMMARY

	1982-83	1983-84	1984-85	1985-86
Groundwater				
Agricultural	18.75	20.00	21.25	22.50
Nonagricultural	75.00	80.00	85.00	90.00
Treated Water				
Contract (Scheduled)	140.00	150.00	160.00	170.00
Non-Contract	100.00	105.00	110.00	118.00
Untreated Water				
Agricultural	18.75	20.00	21.25	22.50
Nonagricultural	75.00	80.00	85.00	90.00
Water Master	8.00	8.00	9.00	9.00
Power (Evergreen System)	33.00	35.00	32.00	35.00
Power (Half Road/Coyote Madrone System)	-	4.00	4.00	4.00
Minimum Charge	53.00	56.00	60.00	63.00
Capital Cost (Half Road/Coyote Madrone System)	2.75	2.75	2.75	2.75
Reclaimed Water				
Palo Alto Reclamation Facility				
Basic User Charge				
Agricultural	18.75	20.00	34.25	35.50
Nonagricultural	75.00	80.00	98.00	103.00
Water Master Service Charge	8.00	8.00	9.00	9.00
Power Charge	4.00	4.00	4.00	4.00
Gilroy Reclamation Facility				
Agricultural	20.00	20.00	20.00	20.00
Nonagricultural	80.00	80.00	80.00	80.00

WATER UTILITY TAX REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Water Fund				
Secured	$2,213,541	2,426,002	2,422,717	2,898,978
Unsecured	281,937	401,721	414,146	461,830
Delinquent	192,880	175,000	160,000	160,000
Total	2,688,358	3,002,723	2,996,863	3,520,808
Zone W-3				
Secured	77,054	88,499	76,006	91,690
Unsecured	9,672	13,815	14,243	14,607
Delinquent	6,648	6,100	5,500	5,500
Total	93,374	108,414	95,749	111,797
Zone W-4				
Secured	535,939	586,195	587,382	706,133
Unsecured	68,421	97,624	100,643	112,493
Delinquent	46,807	42,000	38,000	38,000
Total	651,167	725,819	726,025	856,626
State Water Project				
Secured	4,556,027	4,593,000	7,008,000	7,000,448
Unsecured	166,877	185,413	185,413	198,163
Delinquent	377,800	350,000	315,000	315,000
Total	5,100,704	5,128,413	7,508,413	7,513,611
Debt Service				
W-1, Secured	1,178,777	1,937,425	2,000,000	1,896,025
W-1, Unsecured	70,105	48,163	48,163	98,056
W-1, Delinquent	166,895	158,000	142,000	142,000
Total	1,415,777	2,143,588	2,190,163	2,136,081
TOTAL ALL FUNDS	$9,949,380	11,108,957	13,517,213	14,138,923



SOURCE OF SUPPLY

BACKGROUND INFORMATION

The Source of Supply Cost Center is the first of five cost centers which make up the Water Utility Enterprise. The budget for this Cost Center contains all of the anticipated expenditures relating to obtaining, producing and protecting a supply of water including all conservation, reclamation and importation costs.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 365,770	536,622	167,321	167,321
Construction	2,512,240	4,647,108	7,283,892	7,283,892
Maintenance	1,027,192	3,696,672	434,780	434,780
Operations	4,718,748	7,506,983	9,123,978	9,123,978
Administration	476,483	490,247	470,313	470,313
	$9,100,433	16,877,632	17,480,284	17,480,284

Planning Program

Funds budgeted in this program provide for various planning activities, preparation of hearing plans and environmental reports. The budgeted amount of $167,321 reflects a decrease of $369,301 compared to the previous year. Planning projects are:

Saltwater Intrusion Study $113,981

Wells in the bayfront area that have been incorrectly sealed or constructed contribute to the spread of saltwater contamination. This project includes continued monitoring of the extent of saltwater intrusion and completion of a program to locate and have sealed, defective wells which contribute to saltwater contamination of the drinking water aquifers. This latter program is funded in part by a grant from the State Water Resources Control Board.

Federal Water Project $33,944

This project provides for liaison with the United States Bureau of Reclamation in their development of the communications and control systems required to operate the San Felipe Division, Central Valley Project, from the District's Control Center.

Calero Dam and Reservoir $19,396

This project provides the funds for continued staff efforts relative to an Environmental Impact Statement and predesign report in support of an application to the United States Bureau of Reclamation for loans and grants under Public Law 984 to enlarge the dam and reservoir.

Construction Program

This program provides funds for the acquisition or construction of new physical assets and substantial improvements to the life or value of existing physical assets. The budgeted amount of $7,283,892 includes the following projects:

State Water Project $2,708,328

This project provides funds for payment to the State of California for the capitalized portion of imported water costs for the State Water Project. The balance of the funds are budgeted in the Operations Program. Funds would also be provided for continued contract administration and coordination of a line valve on the South Bay Aqueduct.

Federal Water Project $2,484

This project provides funds for capitalized acquisitions by the District necessary to ensure full operating capabilities of the San Felipe Division, Central Valley Project.

Water Conservation Project $500

This project provides funds for the purchase of motion pictures prints describing the distribution and conservation of water.

Small Equipment Replacement $7,800

This project provides for the replacement of equipment in this Cost Center which is not included in the Replacement Appropriation.

Almaden Dam & Reservoir $121,265

This project provides funds to install electric operators on the outlet valves and construct housing for the operator assemblies.

Anderson Dam and Reservoir $4,057,977

This project will provide funds to design and construct modifications to the dam and spillway to conform to Division of Safety of Dams requirements.

Coyote Dam and Reservoir $81,738

This project provides funds to complete construction on a second of a second portion of the Coyote Spillway.

Guadalupe Dam and Reservoir $153,781

This project provides funds to reconstruct or rehabilitate the existing outlet structure, and the installation of an electric operator on the outlet valve.

Stevens Creek Dam and Reservoir $139,326

This project provides for the contract administration for reconstruction of the dam, and the installation of a remote control valve operation system to regulate water releases from the reservoir.

Vasona Dam and Reservoir $10,693

This project provides funds for contract administration and inspection of the installation of a remote control valve operation system.

Maintenance Program

Funds are for maintenance of the reclamation facility at Palo Alto, monitoring the deformation of the Coyote Dam Spillway by optical survey and photogrammetry, and other maintenance requirements within the Cost Center. This project also includes 7% of the computerized system development for planned maintenance referred to in the General Information Section.

Operations Program

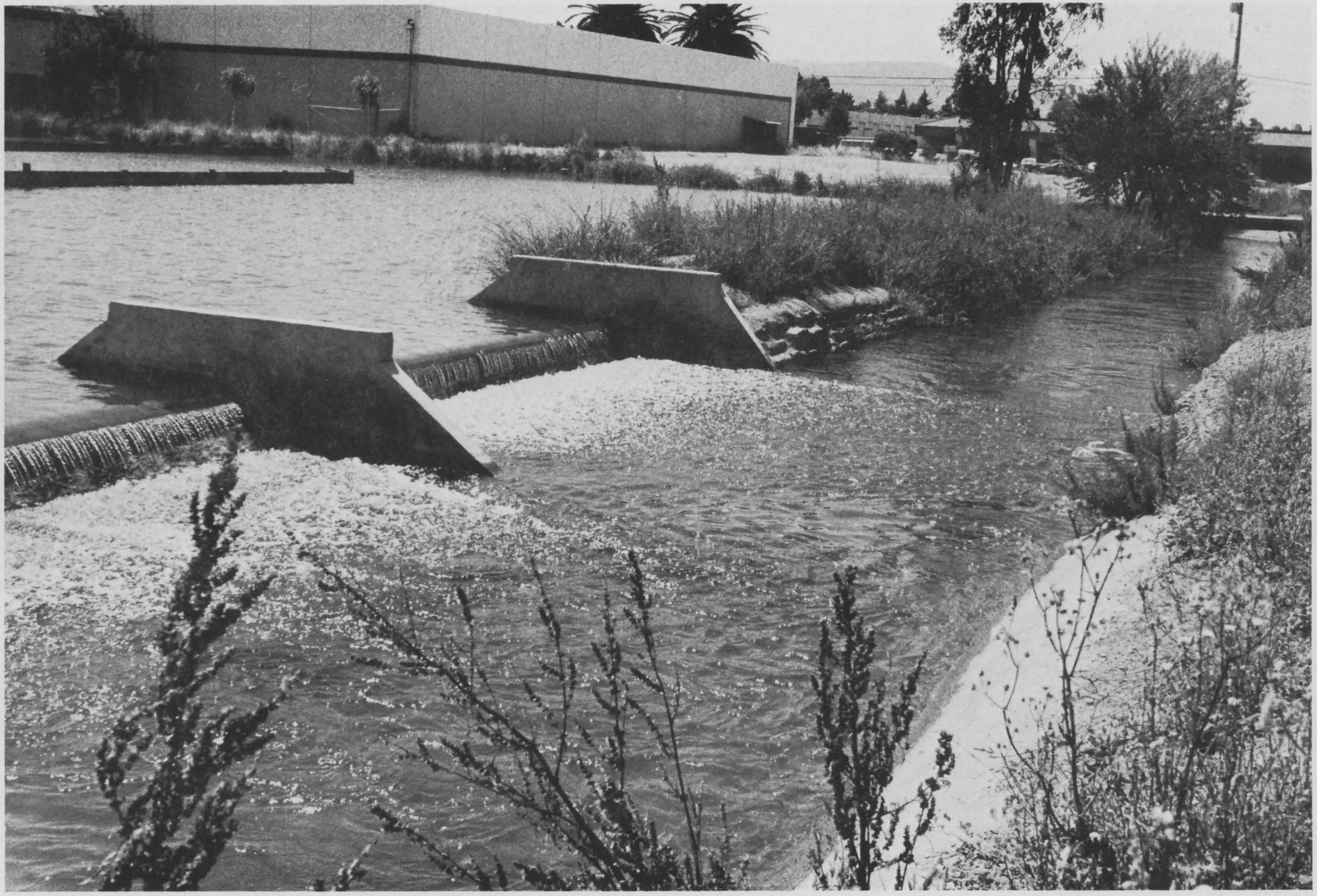
The funds budgeted in this program are for Land Use Review, Land Ownership Management, the inspection and operation of the District's dams and reservoirs, weather modification, the operation of the water reclamation facility at Gilroy and the purchase of water from the State Water Project. The enforcement and application of Ordinance 75-6 relative to monitoring wells is part of the Water Quality Control project. Funds budgeted in this program show an increase of $1,616,995 compared to the preceding year, but $600,000 of this is attributable to an increase in State Water Project costs. Also, $1,000,000, including staff time, is budgeted to cover the cost of sealing abandoned wells.

SOURCE OF SUPPLY

Significant projects within this program include Water Reclamation, State Water Project, the Federal Water Project, and the Water Conservation Project. The budget for fiscal 1985-86 reflects a decrease of $19,934 compared to the preceding year.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Land Use Review	$			11,297		11,297
Technical Services				3,957		3,957
Saltwater Intrusion Study	113,981					113,981
Insurance					22,000	22,000
Cost Center Support Project					9,462	9,462
Dams & Reservoirs - Special			14,109			14,109
Water Reclamation Fac. - Gilroy				77,131	62,500	139,631
Water Rights					40,136	40,136
State Water Project		2,708,328		7,000,000	95,159	9,803,487
Federal Water Project	33,944	2,484			140,704	177,132
Water Conservation Project		500			95,218	95,718
Water Reclam. Fac. - Palo Alto			11,413	184,936		196,349
Hetch Hetchy Water Project					5,134	5,134
Weather Modification				72,634		72,634
Water Quality Control				1,611,900		1,611,900
Small Equipment Replacement		7,800				7,800
Source of Supply - General			334,308	162,123		496,431
Almaden Dam & Reservoir		121,265				121,265
Anderson Dam & Reservoir		4,057,977	39,476			4,097,453
Calero Dam & Reservoir	19,396					19,396
Coyote Dam & Reservoir		81,738	35,474			117,212
Guadalupe Dam & Reservoir		153,781				153,781
Stevens Creek Dam & Reservoir		139,326				139,326
Vasona Dam & Reservoir		10,693				10,693
Total	$167,321	7,283,892	434,780	9,123,978	470,313	17,480,284



RAW WATER TRANSMISSION & DISTRIBUTION

BACKGROUND INFORMATION

The Raw Water Transmission and Distribution Cost Center is the second of five cost centers within the Water Utility Enterprise. This Cost Center contains all expenditures relating to the distribution of raw water. The distribution system consists of pipelines, canals and percolation ponds and includes the use of creek systems.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 2,320	186,116	231,333	231,333
Construction	5,725,790	4,279,941	4,379,256	4,379,256
Maintenance	992,220	1,222,791	1,330,346	1,330,346
Operations	676,722	1,029,015	1,185,725	1,185,725
Administration	6,375	13,175	22,183	22,183
	$7,403,427	6,731,038	7,148,843	7,148,843

Planning Program

Funds budgeted in this program are for various analyses and planning reports related to the distribution of raw water. The $231,333 budgeted reflects a $45,217 increase over the preceding year.

Calero Pipeline $189,859

This project will provide funds for the completion of an Engineer's Report and Environmental Impact Report for a pipeline to extend the terminus of the Cross Valley Pipeline to the Almaden Valley Pipeline near the base of Calero Dam.

Evergreen Distribution System $4,857

This project consists of liaison with the City of San Jose and local water users relative to alternative systems for delivering water to irrigation customers.

Main Avenue Percolation System $36,617

This project provides funds to prepare an Engineer's Report and to perform an environmental assessment for the turnout off of the Santa Clara Conduit.

Construction Program

This program provides for the acquisition or construction of new physical assets and substantial improvement to the life or value of existing physical assets. The budgeted amount of $4,379,256 includes the following projects:

Raw Water Distribution - Special — $42,128

This provides for the installation of a permanent groundwater recharge diversion facility on the Guadalupe River above Blossom Hill Road.

Penitencia Force Main — $7,353

This provides for contract administration relative to the construction of permanent repairs to the 66-inch force main and for the extension of the facility to the Penitencia Water Treatment Plant.

Almaden Valley Pipeline — $80,094

This provides for contract administration of the installation of remote telemetry stations and remote control valve operation systems to control releases from the pipeline into Ross Creek and the Kooser Percolation Ponds. It also includes the Water Utility's portion of the revegetation of Alamitos Creek and the installation of a buried communications cable to complete the link from the Rinconada Plant to the Pacheco Pumping Plant.

Calero Pipeline — $235,225

This provides for the design of the pipeline to extend from the terminus of the Cross Valley Pipeline to a connection with the Almaden Valley Pipeline at the base of Calero Dam.

Cross Valley Pipeline — $43,233

This project will provide funds for the contract administration and inspection of the reach from South Valley Freeway at Cochran Road to the Coyote Pumping Plant site.

Overfelt Gardens Percolation System — $12,343

This project consists of designing a permanent diversion structure on Penitencia Creek to recharge the area.

Anderson Force Main — $40,860

This project encompasses the required contract administration and inspection of the force main. This project is combined with construction of the Cross Valley Pipeline.

Control System Raw Water $936,941

This project will provide for the replacement and expansion of the raw water distribution system controls to interface to the Federal Water Project.

Stevens Creek Pipeline Control System $23,640

This project provides funds for administration and inspection of the contract for construction of the remote control operation system to regulate water releases into Saratoga Creek from the Stevens Creek Pipeline.

Coyote - Alamitos Canal $122,849

This project provides for the design aspect required to abandon this project in cooperation with the City of San Jose.

Page Percolation System $26,433

This project provides funds to design and construct overflow structures at the Page Groundwater Percolation Facility to eliminate potential liability from overfilling the ponds.

Kooser Percolation System $132,952

This project provides funds for the design and construction of that portion of the pipeline along Kooser Road connecting to the Kooser Ponds needing replacement.

Small Equipment Replacement $8,000

This project provides for the replacement of equipment which is not included by the Replacement Appropriation.

Santa Teresa Force Main $1,034,714

This project provides funds for the final design and construction of the project, which is the raw water connection between the Almaden Valley Pipeline and the Santa Teresa Water Treatment Plant.

Maple Avenue Recharge Facility $1,632,491

This project provides for funds for the purchase of lands for recharge facilities in the Llagas Subbasin.

Maintenance Program

Funds budgeted in this program reflect a $107,555 increase compared to the preceding year. It includes funds ($53,343) for the improvement to the Page Distribution System - Upper. This project also includes 15% of the computerized system development for planned maintenance and a proportional share of disposal site investigation referred to in the General Information Section.

Operations Program

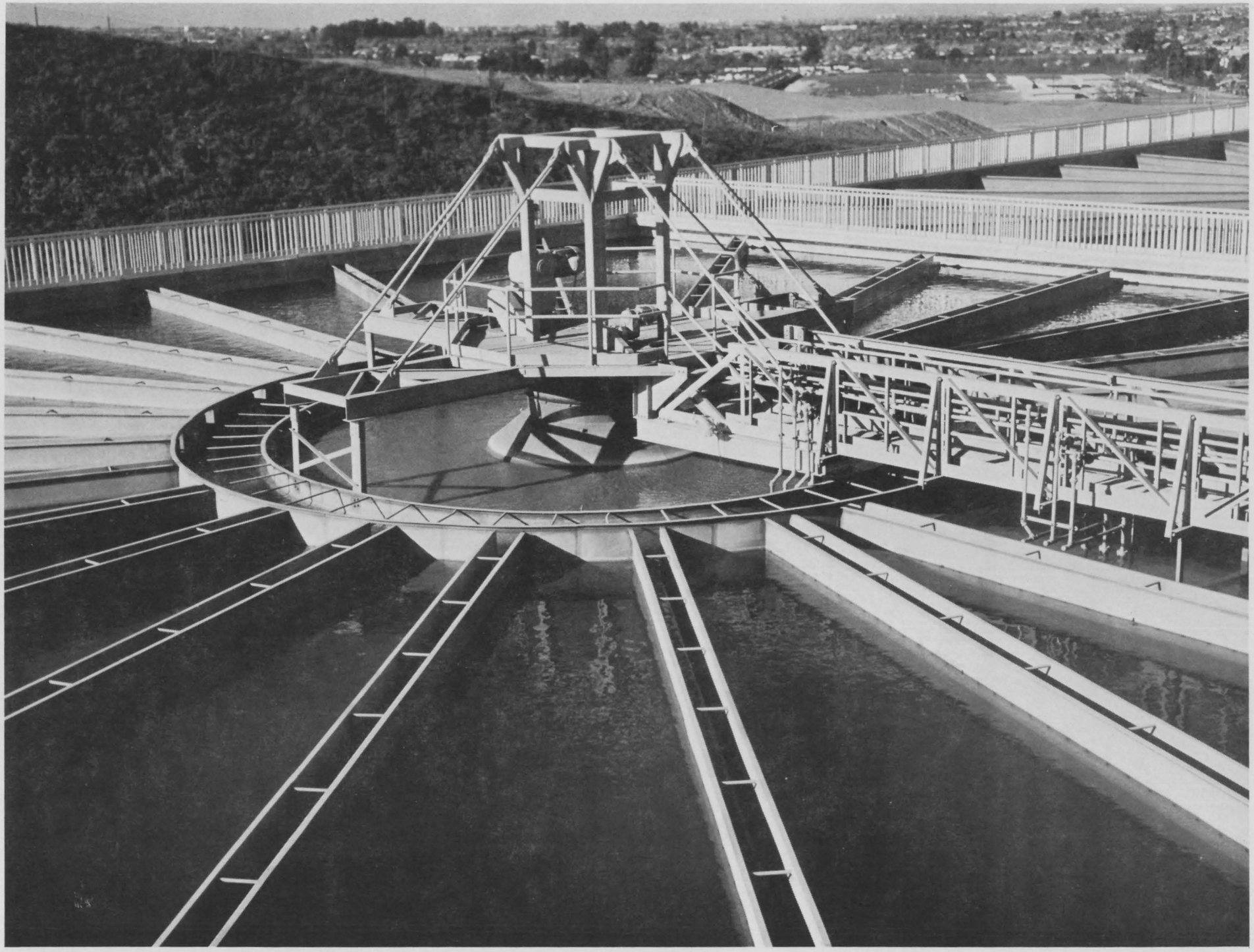
Funds budgeted in this program reflect a $156,710 increase compared to the preceding year. The funds provide for routine operation of the Raw Water Distribution System, Land Use Review, Land Ownership Management, and operation of the Evergreen Distribution System. Also included is an ongoing evaluation of ways to improve the performance of existing percolation facilities.

Administration Program

This program includes Insurance and Cost Center Support Projects. The amount budgeted is $22,183, an increase over the preceding year, and the direct result of increased insurance premiums.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Land Use Review	$			22,239		22,239
Technical Services				3,760		3,760
Insurance					13,500	13,500
Cost Center Support Project					8,683	8,683
Raw Water Distribution - Special		42,128	23,609	117,011		182,748
Penitencia Force Main		7,353				7,353
Vasona Pump Station			10,780			10,780
Almaden Valley Pipeline		80,094				80,094
Calero Pipeline	189,859	235,225				425,084
Cross Valley Pipeline		43,233				43,233
Overfelt Gardens Percolation System		12,343				12,343
Anderson Force Main		40,860				40,860
Raw Water Control System		936,941				936,941
Stevens Creek Pipeline		23,640				23,640
Coyote-Alamitos Canal		122,849				122,849
Evergreen Distribution System	4,857			204,160		209,017
Main Avenue Percolation System	36,617					36,617
Page Distribution System-Upper			53,343			53,343
Page Percolation System		26,433				26,433
Kooser Percolation System		132,952				132,952
Small Equipment Replacement		8,000				8,000
Raw Water T&D-General			1,242,614	838,555		2,081,169
Santa Teresa Force Main		1,034,714				1,034,714
Maple Ave Recharge Facility		1,632,491				1,632,491
Total	$231,333	4,379,256	1,330,346	1,185,725	22,183	7,148,843



WATER TREATMENT

BACKGROUND INFORMATION

The Water Treatment Cost Center is the third of five cost centers in the Water Utility Enterprise. This Cost Center contains all expenditures associated with the treatment of water at the Rinconada Water Treatment Plant and the Penitencia Water Treatment Plant.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 488,722	158,323	19,432	170,000
Construction	435,145	1,801,777	47,255,883	47,255,883
Maintenance	1,151,097	1,549,111	1,752,559	1,752,559
Operations	2,440,095	3,071,607	3,550,928	3,550,928
Administration	18,100	19,569	37,300	37,300
Total	$ 4,533,159	6,600,387	52,616,102	52,766,670

Planning Program

This program provides funds for one study. The budgeted amount, $170,000 is to examine alternative means of controlling THM formations at the water treatment plants including but not limited to the use of consultants.

Construction Program

This program provides funds for the acquisition or construction of new physical assets and substantial improvement to the life or value of existing physical assets. The amount budgeted of $47,255,883 is a $45,454,106 increase over the preceding year, primarily due to construction of the Santa Teresa Water Treatment Plant. The program includes the following projects:

Penitencia Water Treatment Plant — $30,800

This provides funds to purchase and install specific equipment to be used in the project.

Santa Teresa Water Treatment Plant — $46,629,552

This project provides funds for construction of the plant and associated sludge disposal facilities.

Rinconada Water Treatment Plant $27,600

This provides funds to purchase and install specific equipment to be used in the project.

Control System - Penitencia Water Treatment Plant $9,570

This project provides labor to checkout the master control system for the Penitencia Water Treatment Plant and the Eastside Distribution System.

Control System Upgrade $548,361

This project provides funds to complete design and perform assembly and installation of system upgrades for both the Rinconada Plant and the treated water transmission and delivery system. Seventy percent (70%) of the total cost is allocated to this cost center.

Small Equipment Replacement $10,000

This project provides for the replacement of equipment in this Cost Center which is not included in the Replacement Appropriation.

Maintenance Program

Funds budgeted in this program provide for normal maintenance requirements within the Cost Center. The budget of $1,752,559 is an increase of $203,448 over the preceding year. It also provides funds to make the necessary modifications at both plants so they will function during and after a moderate to major local earthquake. Also, piezometers will be installed as part of a comprehensive geotechnical plan to evaluate landslide activity at Penitencia. This project also includes 3% of the computerized system development for planned maintenance and an allocated share of the cost to identify disposal sites referred to in the General Information Section.

Operations Program

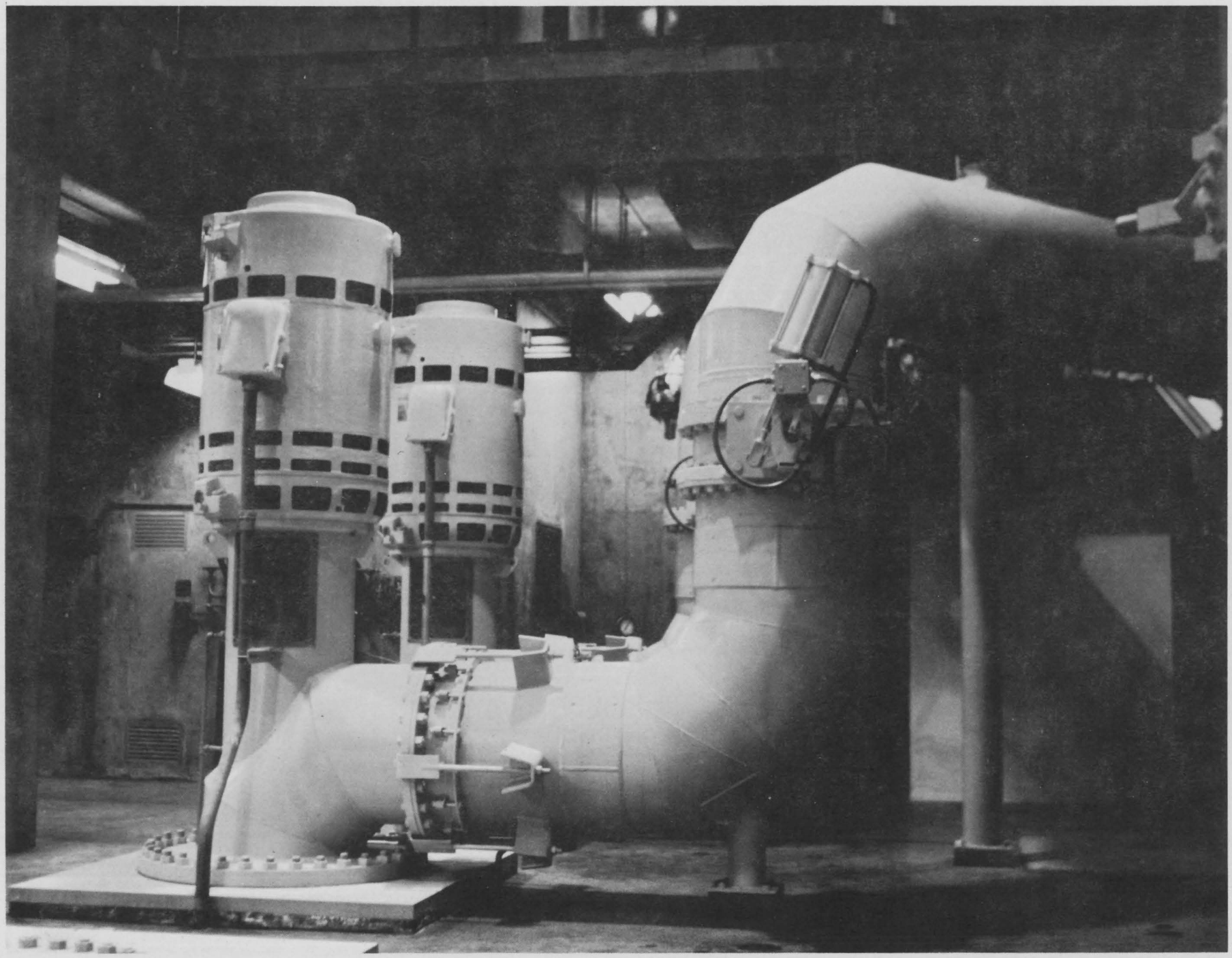
The $3,550,928 budgeted in this program provides for the routine operation of two water treatment plants. The increased cost over the preceding year is the primary result of staffing up for the new treatment plant.

Administration Program

This program contains funds only for the District's prorata share of liability insurance.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Study on Use of Trihalomethanes Control	$170,000					170,000
Insurance					37,300	37,300
Water Treatment - Special			38,205			38,205
Penitencia Water Treatment Plant		30,800	190,380			221,180
Santa Teresa Water Treatment Plant		46,629,552				46,629,552
Rinconada Water Treatment Plant		27,600	51,172			78,772
Control System - Penitencia Water Treatment Plant		9,570				9,570
Control System Upgrade		548,361				548,361
Small Equipment Replacement		10,000				10,000
Water Treatment - General			1,472,802	3,550,928		5,023,730
Total	$170,000	47,255,883	1,752,559	3,550,928	37,300	52,766,670



TREATED WATER TRANSMISSION & DISTRIBUTION

BACKGROUND INFORMATION

The Treated Water Transmission and Distribution Cost Center is the fourth of five cost centers within the Water Utility Enterprise. This Cost Center contains all expenditures relating to the distribution of treated water to water utilities and includes costs associated with the treated water reservoirs, pumping systems, pipelines and turnouts.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$203,377	249,683		
Construction	128,833	1,659,831	21,817,245	21,817,245
Maintenance	181,574	207,990	262,619	262,619
Operations	185,726	191,232	248,565	248,565
Administration	6,233	9,915	14,569	14,569
	$705,743	2,318,651	22,342,998	22,342,998

Planning Program

There are no planning projects budgeted in the cost center this year.

Construction Program

This program provides for the acquisition or construction of new physical assets and substantial improvement to the life or value of existing physical assets. The budgeted amount of $21,817,245 includes the following projects:

Santa Teresa Tunnel — $6,512,281

This provides funds for the final design and construction of the tunnel and Snell Pipeline connection. Construction is scheduled to be completed in 1988.

Penitencia Delivery Main — $7,353

Funds in this project will allow continuation of contract administration relative to permanent repairs to the 60-inch delivery main. The contract was awarded in fiscal year 1984-85.

Control System Upgrade $235,019

This provides funds for 30% of the west side treated water control system upgrade. The other 70% is in the water treatment cost center.

Small Equipment Replacement $5,000

This project provides for the replacement of equipment in this Cost Center which is not included in the Replacement Appropriation.

Greystone Pump Station $712,730

This is a reimburseable project for the benefit of the San Jose Water Company. It will be constructed on the Santa Teresa Water Treatment Plant site.

Greystone Pipeline $285,704

This provides funds for the final design, plans and specifications of the pipeline. It is the treated water link between the Santa Teresa Water Treatment Plant and San Jose Water Company's existing distribution system. It will be paid for by the San Jose Water Company.

Snell Pipeline $14,059,158

This provides funds for preparation of final plans and specifications and construction of Stage I of the pipeline to convey treated water between the Santa Teresa Water Treatment Plant and the existing East Pipeline.

Maintenance Program

Funds budgeted for this program provide for usual maintenance requirements within the Cost Center. This budget is $54,629 higher than the preceding year. This project also includes 3% of the computerized system development for planned maintenance and an allocated portion of investigative costs to identify lands for disposal sites. Both of these allocated projects are referred to in the General Information Section.

Operations Program

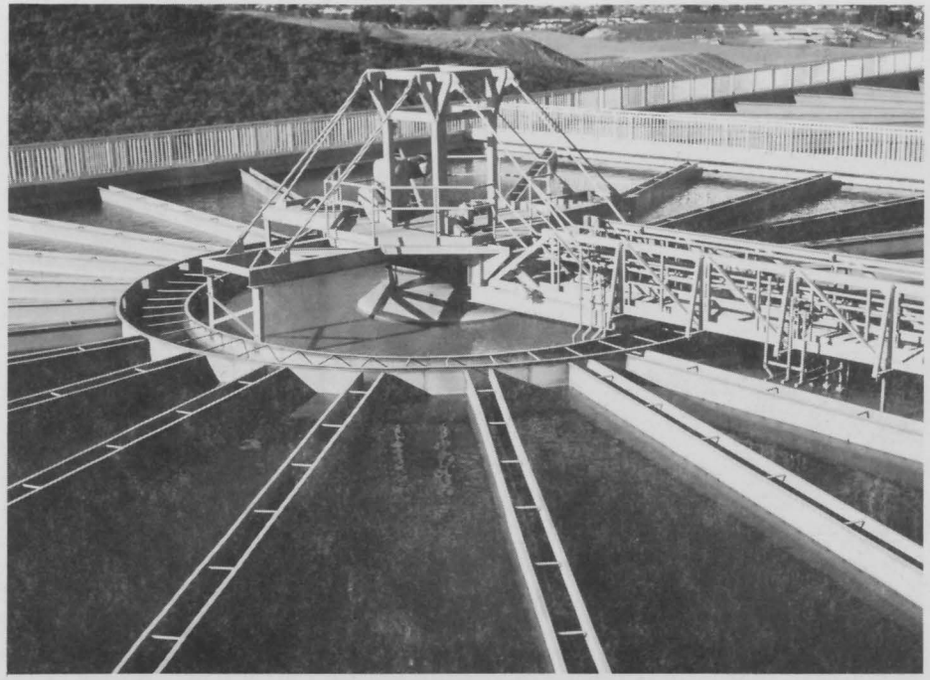
Funds budgeted in this program provide for routine operation of the Treated Water Distribution System. This budget is $57,333 higher than the preceding year. An increase in federal power cost is the primary reason for the increase.

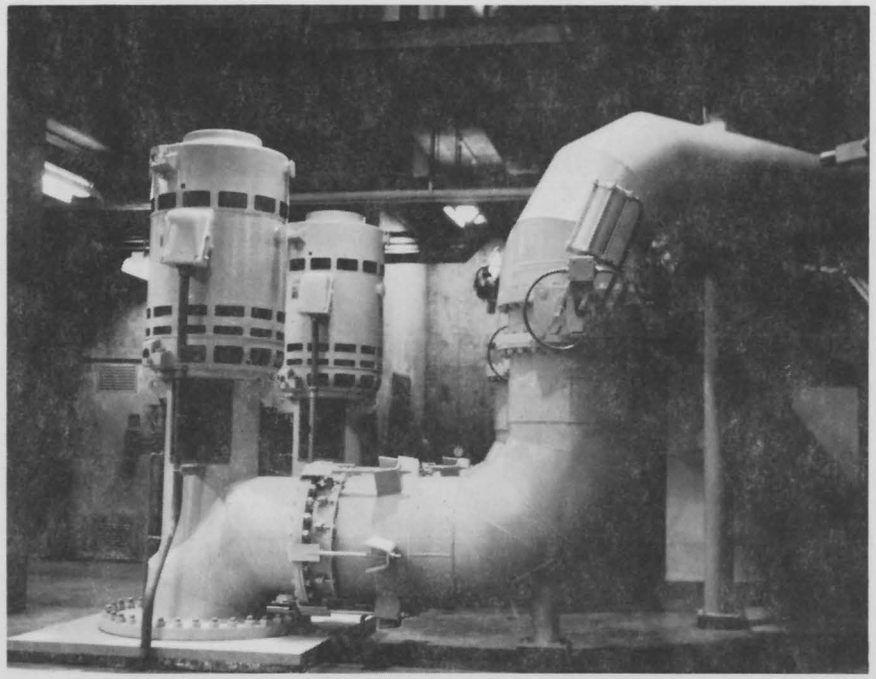
Administration Program

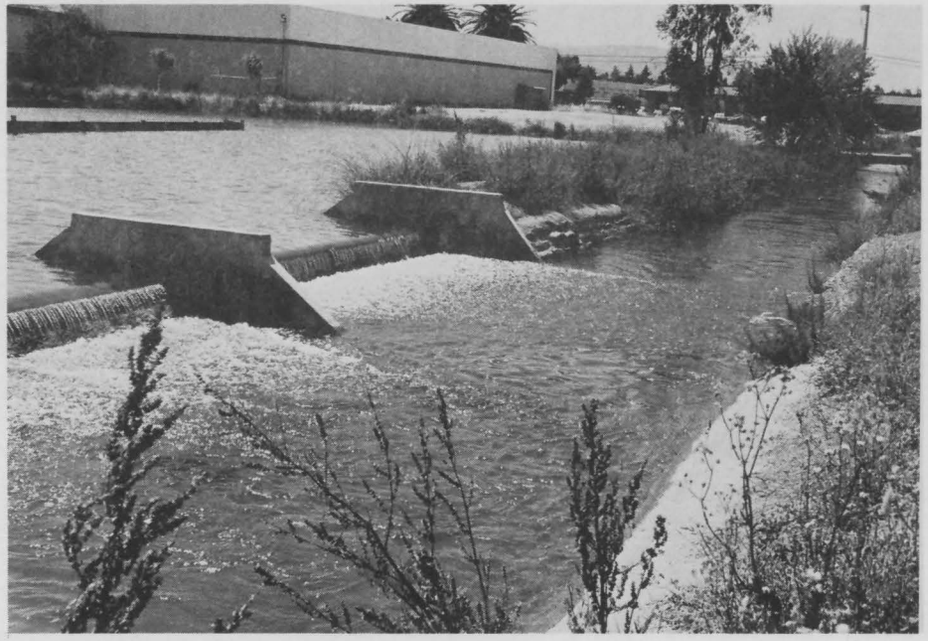
This program includes the Insurance and Cost Center Support Projects. On a comparative basis, this program has increased $4,654 over the preceding year as a primary result of insurance premiums increases.

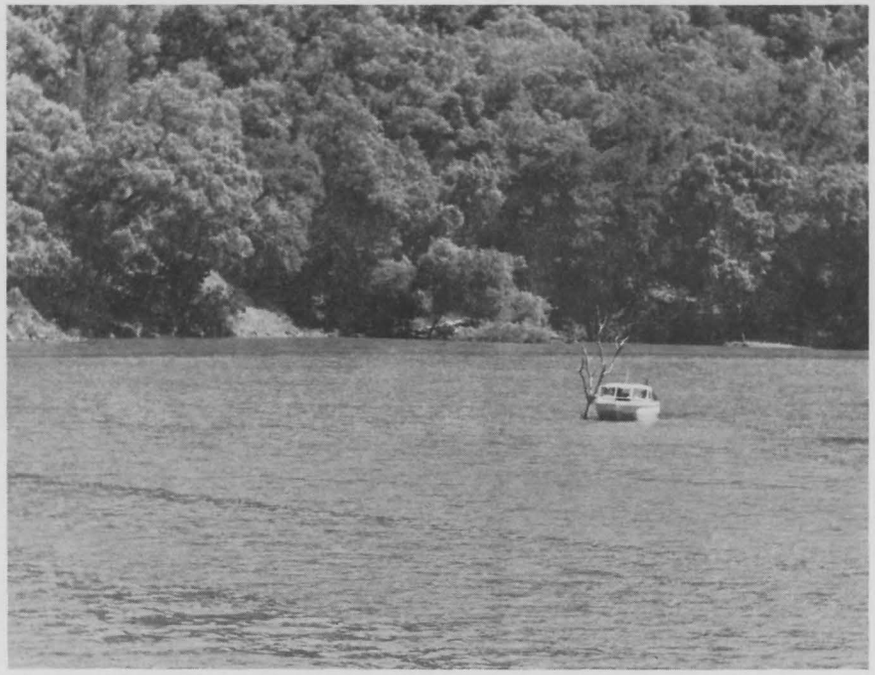
PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Land Use Review	$			9,143		9,143
Technical Services				1,458		1,458
Insurance					13,000	13,000
Cost Center Support Project					1,569	1,569
Treated Water T&D - Special			5,488			5,488
Santa Teresa Tunnel		6,512,281				6,512,281
Penitencia Delivery Main		7,353				7,353
Control System Upgrade		235,019				235,019
Small Equipment Replacement		5,000				5,000
Treated Water T&D - General			257,131	237,964		495,095
Greystone Pump Station		712,730				712,730
Greystone Pipeline		285,704				285,704
Snell Pipeline		14,059,158				14,059,158
Total	$	21,817,245	262,619	248,565	14,569	22,342,998









ADMINISTRATION AND GENERAL

BACKGROUND INFORMATION

The Administration and General Cost Center is the fifth and final Cost Center in the Water Utility Enterprise. It contains all expenditures of an administrative nature which cannot be properly assigned to one of the other four cost centers. Work performed in this Cost Center covers items such as the collection of groundwater charges, financial and cash flow studies, annual reports and general water management planning.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Planning	$ 479,372	660,380	1,050,992	1,050,992
Construction	3,131	10,000	2,351,315	2,351,315
Maintenance				
Operations	391,922	468,365	652,487	652,487
Administration	298,209	149,028	305,080	305,080
	$1,172,634	1,287,773	4,359,874	4,359,874

Planning Program

Funds budgeted in this program are $390,612 more than the preceding year. Planning projects are:

Study of Laboratory Needs — $81,462

This project provides funds to evaluate the District's present and future laboratory needs. Primary and secondary water treatment standards have expanded to such a degree that this study is absolutely essential.

Financial and Cash Flow Study — $124,555

This project consists of evaluating the effects on the financial position of the District's Water Utility Enterprise as a result of future expenditures for operations, maintenance and expansion. It also provides funds for the preparation of the Annual Financial Analysis of the Water Utility.

Annual Water Supply Balance — $32,607

This project provides for the continuing analysis of water conditions of the preceding year and the preparation of a report summarizing these findings. The analysis consists of an overall hydrologic balance to determine the net surplus or deficit in groundwater supply and changes in storage. Also included is information on subsidence, saltwater contamination, water quality and summaries of wastewater reclamation project operations.

Water Reclamation Studies $4,857

This project primarily supports the District's ongoing review and evaluation of other reclamation projects.

Groundwater Model $29,070

This project provides for completion of our evaluation of models developed with Department of Water Resources as well as other available models. Ultimately, results obtained from these efforts will be incorporated into the District's system simulation model.

Water Resources Master Planning $302,175

This project consists of a continuing review of the projected water needs of the various sources of supply including reclaimed water and of the optimization of the distribution of the total supply to meet the need. Emphasis during the year will be on completing the west side master plan update.

Water Quality Studies $476,266

This project contains the general studies related to water quality being performed by the District. It is composed of several parts: a) short term problem related studies, b) special studies needed to enhance water quality and, c) specific studies related to protection of groundwater quality which may be jeopardized by hazardous materials contamination.

Construction Program

Funds budgeted in this program in the amount of $2,351,315 are for equipment needed to provide safe and efficient operations of the Meter Test Facility at Vasona and for the construction of hydrogeneration systems on Kirk/Page Turnouts and near Anderson Dam.

Operations Program

Funds budgeted in this program provide for field surveillance of groundwater and surface water facilities, operation of the meter test facility, and meter testing and repair activities. It also provides for the collection of surface and groundwater quality data and for the monitoring of depth to groundwater in the various groundwater basins. The amount budgeted for this fiscal year is $652,487 compared to $468,365 in the preceding fiscal year. Materials for testing are included in the amount of $50,000. Also, $50,000 has been budgeted for drilling monitoring wells required to evaluate toxic leaks.

This program includes Insurance, Cost Center Support, and Water Revenue Collection Projects. The amount budgeted for this fiscal year is $305,080 which represents a $156,052 increase compared to the preceding year. A portion of the insurance premium ($125,000) is included in this program to balance out the estimated requirement of total premiums.

PROGRAM SUMMARY BY PROJECT

Project	PROGRAM					Project Totals
	Planning	Construction	Maintenance	Operations	Administration	
Technical Services	$			1,249		1,249
Study of Laboratory Needs	81,462					81,462
Insurance					125,000	125,000
Cost Center Support Project					24,601	24,601
Water Revenue Administration					155,479	155,479
Water Use Measurement		15,000		393,227		408,227
Financial and Cash Flow Study	124,555					124,555
Annual Water Supply Balance	32,607					32,607
Water Reclamation Studies	4,857					4,857
Groundwater Model	29,070					29,070
Kirk/Page Hydrogeneration System		125,298				125,298
Water Quality Control				187,894		187,894
Groundwater Level Monitoring				70,117		70,117
Water Resources Master Planning	302,175					302,175
Water Quality Studies	476,266					476,266
Anderson Hydrogeneration System		2,211,017				2,211,017
Total	$1,050,992	2,351,315		652,487	305,080	4,359,874

DISTRICT

DIRECT COSTS

GOVERNMENTAL PROGRAM

FIXED ASSETS

DISTRIBUTED EXPENSES

ADMINISTRATION PROGRAM

SERVICES AND SUPPLIES

The District Cost Center Budget is presented in two parts. The first part contains the budget for Direct Costs. Direct Costs consist of the Governmental Program and Fixed Assets. The second part contains the budget for Distributed Expenses. Distributed Expenses consist of the Administration Program and Service and Supplies.

The primary source of revenues to support the Direct Costs of the District Cost Center is an allocation from the Countywide tax levy.

The District Cost Center can make loans to other cost centers with the approval of the Board of Directors. At June 30, 1985, the South Zone owed the District Cost Center approximately $1,515,000 of which approximately $1,265,000 is reimbursable under the PL 566 Program. The loans listed below ($684,765) will bring the total loan outstanding to $2,200,000, the maximum authorized by the Board.

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$4,181,638	2,669,899	4,000,000	3,944,658
Revenue Sources				
Property Taxes	971,297	1,009,962	1,133,436	1,189,051
Interest	406,289	391,640	320,000	320,000
Agreements and Advances				
Other	35,072	368,250	70,000	70,000
Total Revenue Sources	1,412,658	1,769,852	1,523,436	1,579,051
Total Available	$5,594,296	4,439,751	5,523,436	5,523,709

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Governmental Program	$1,094,363	692,941	894,415	894,415
Fixed Assets	475,651	542,474	757,353	1,232,353
Loan to Zone	590,157	208,800	684,765	684,765
Inter Fund Loan Appropriation	450,053	2,227,645	3,086,903	2,612,176
Contingency Appropriation		500,000	100,000	100,000
Special Contingency Appropriation		267,891		
Total Appropriated	2,610,224	4,439,751	5,523,436	5,523,709
Balance End of Year	2,984,072			
Total	$5,594,296	4,439,751	5,523,436	5,523,709

Projects within the Governmental Program are those which cannot be readily identified with Flood Control or Water Utility Cost Centers. They can be categorized as general type projects which support Districtwide activities. Proposed appropriations for fiscal year 1985-86 have increased $201,474 compared to the preceding year. The Cost Center Support Project was previously budgeted as a Direct Cost. In this budget it is in distributed expense. A comparative summary of expenditures can be found on Exhibit 1, page 67. Projects included in the Governmental Program are:

Basic Data Collection $383,218

This project provides for the continuing collection, storage and publication of basic data such as precipitation, streamflow quantities, tide elevations, reservoir storage, evaporation and items of a similar nature. This project also provides for contract services for a consultant hydrologist to examine and qualify the existing precipitation and streamflow data base.

Flood Insurance Liaison Study $28,746

This project provides for the continuing liaison with the cities and County relative to their participation in the National Flood Insurance Program and for dissemination of general information to all concerned with the program. The District works with local communities in the development of land use criteria in the floodplain areas and in the review of flood insurance rate studies.

X-Valley Level Circuit $3,432

This project is a continuing program to update how much subsidence, if any, has occurred since 1976. It will be a cost sharing arrangement with other agencies, with actual work to be performed by National Geodetic Survey.

Insurance Project $115,343

This project provides the labor and an allocated portion of the insurance premiums necessary to manage the District's Risk Management Program.

Basic Hydrology $97,746

This is a continuing service oriented project that uses hydrologic data to develop methods, techniques, and other water related information for use in flood control and water supply activities. Funds are provided to acquire the in-house ability to utilize the continuous hydrologic simulation method in addition to existing District hydrologic methods.

Directors' Fees and Expenses $65,400

This project provides for the per diem fees and expenses of the District's Board of Directors.

Legal Projects $63,056

This project provides for the legal services of the District and for other legal costs which cannot be directly related to a specific scope of work in the Flood Control or the Water Utility Cost Centers.

Public Education $57,168

This project provides for a Districtwide program of public information and education. Activities include: preparation of information, displays, brochures, periodic publications for internal and external informational use, providing for tours of District facilities, conducting liaison work with film production, advertising, graphics and contract services related to the District's overall public information requirements, providing public information advice and consultation to District organizational units and to provide written and graphic communication to others.

District Headquarters and Facilities $52,738

This project would provide funds to develop a long-range master plan for the expansion of the Almaden complex.

Records Management System $19,380

This project will provide labor to develop and maintain a records management system which will allow rapid retrieval of resources, cross indexing, security for valuable photos, drawing and files, and maintenance of the system.

Environmental Analysis $8,188

This project provides for review and formal comment on environmental impact reports submitted to the District by outside agencies and general support of environmental impact report activities such as the review and preparation of District environmental impact report guidelines, procedures and community informational meetings relative to the District's environmental impact report process. Also provided is an evaluation and comparison of the impacts of selected major construction projects that occur after completion of the project. It also provides time for staff to determine current accord with CEQA interpretations.

Fixed Assets

Fixed Assets purchased from the District Cost Center are used to support Districtwide activities as a whole. They are the type of expenditure that cannot be identified with or purchased from the funds of any other cost center. Proposed appropriations for fiscal year 1985-86 have increased $689,879 compared to the preceeding year. A comparative summary of expenditures can be found on Exhibit 2, page 68. Items included in Fixed Assets are:

Structures and Improvements $580,262

These funds are to provide a crew truck lockable storage building. It will secure the truck and valuable equipment stored on it at night. Funds are also provided for a water quality monitoring system in accordance with the hazardous materials storage ordinance, a water heater for the blockhouse, relocation of the garbage bin, reroofing the District Administration Building and expansion of the Maintenance Building.

Office Equipment $223,840

Budgeted funds provide for the acquisition and/or replacement of typewriters and a dictaphone plus the acquisition of a postage meter, microfilm system, copy machines, bin collator, time clocks, diablo printer with sheet feeder, and a micro-fiche reader-printer.

Automotive Equipment $75,600

The budgeted funds will provide one sedan, two stationwagons, two half ton four-wheel-drive trucks, and a three-quarter ton pickup truck.

Communications Equipment $80,000

These funds will be used to negotiate a lease purchase for one complete radio communication system. The total system would be installed in FY 85-86, but paid for over a five year plan.

Hydrologic Equipment $38,150

These funds are for the purchase of four Sierra Misco reporting radio precipitation gages, six Sierra Misco reporting streamflow gages, Sierra-Misco radio decoder, and spare tide transmitter and a solar battery charger.

Water Measuring Equipment $14,500

Budgeted funds are for the purchase of meters for new well construction, and a spare turbo meter.

Other Equipment $8,700

Items of equipment budgeted are: a magnetic portable drill press, a Magnicide H. chemical testing unit, an electric motor drive unit for the Muller drilling machine, and a portable gas operator generator to power hand tool equipment where electric power is not accessible.

Office Furniture $28,521

The account provides for various desks, chairs, tables, for replacement of worn out office furniture, office partitions, and a drafting machine.

Computer Equipment $182,780

The budgeted amount provides for the final deferred annual payment of an approved lease-purchase agreement to acquire the Burroughs B-3800 system. It also provides for purchase of satellite terminal cluster stations needed to augment similar B-20 equipment purchased last year along with a printer, a 20 megabyte mass storage unit, a replacement of an air conditioning system in the computer room, and two Texas Instrument modems to access on-line information. Funds are requested for the first of a five year lease-purchase of a Holguin CADD System and civil workstations to aid in computer drafting and design. Also requested are a non-interruptable power source, and an IBM AT computer system.

EXHIBIT 1

SUMMARY OF GOVERNMENTAL PROGRAM PROJECTS

PROJECT	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Basic Data Collection	$ 245,585	325,071	383,218	383,218
Flood Insurance Liaison Study	20,822	24,515	28,746	28,746
Vertical Monumentation	205			
Seismic Evaluation - Administration Bldg.		20,000		
X-Valley Level Circuit		13,556	3,432	3,432
Insurance Project	12,304	13,588	115,343	115,343
Cost Center Support Project	603,153			
Basic Hydrology	39,189	70,790	97,746	97,746
Directors' Fees and Expenses	42,027	75,400	65,400	65,400
Legal Projects	57,042	58,722	63,056	63,056
Public Education	56,851	67,138	57,168	57,168
District Headquarters and Facilities			52,738	52,738
Records Management System	12,278	17,527	19,380	19,380
Environmental Analysis	4,907	6,634	8,188	8,188
Program Total	$1,094,363	692,941	894,415	894,415

DISTRICT DIRECT COSTS

EXHIBIT 2

SUMMARY OF FIXED ASSET ACCOUNTS

ACCOUNT		Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
1300	Structures & Improvements	$ 30,282	33,000	105,262	580,262
1401	Office Equipment	32,882	76,250	223,840	223,840
1402	Automotive Equipment	60,624	58,825	75,600	75,600
1403	Communications Equipment	2,392	80,000	80,000	80,000
1404	Hydrologic Equipment	67,201	18,750	38,150	38,150
1405	Water Measuring Equipment	7,069	18,600	14,500	14,500
1406	Other Equipment	34,706	90,400	8,700	8,700
1407	Office Furniture	28,893	34,299	28,521	28,521
1408	Computer Equipment	211,602	132,350	182,780	182,780
Total		$475,651	542,474	757,353	1,232,353

DISTRIBUTED EXPENSE

Distributed Expense is an overhead cost. Overhead consists of the District Cost Center's Administration Program and its Services and Supplies accounts. These expenditures are reimbursed by applying Distributed Expense as an overhead rate to all District labor charged to work performed in other cost centers. Since all costs are reimbursed, expenditures for Distributed Expense do not reduce the revenues of the District Cost Center. Government Code Section 29089 titles this type of expense as Expenditure, Transfers and Reimbursements.

SUMMARY BY PROGRAM

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Administration Program	$5,589,487	6,855,214	7,195,612	7,293,034
Services and Supplies	1,116,870	1,245,381	1,388,814	1,388,814
Total Expenditures	$6,706,357	8,100,595	8,584,426	8,681,848

Administration Program

Administration Program expenditures are those which support Districtwide activities and therefore cannot be charged directly to another cost center or fund. A comparative summary of expenditures can be found on Exhibit 3, page 74. Projects included in the Administration Program for 1985-86 are:

Sick Leave, Vacation, etc. $1,683,182

This project includes all time chargeable to Sick Leave, Vacation, Holidays, Jury Duty, Military Leave, and approved Leave with Pay.

Ordinance Administration $22,617

This project provides for labor necessary to prepare manuals, standards and design aids to assist in the enforcement and application of Ordinance 83-2. The budgeted amount also provides for investigation and resolution of violations to Ordinance 83-2 and to prepare materials to generate public awareness of potential violations.

Cost Center Support Project $526,788

This project provides for all chargeable time to Districtwide support work which cannot be directly related to Flood Control or a Water Utility Cost Center but rather has a benefit to the District as a whole. The following is a list of functions usually found within this project: Personnel Education and Training, Personnel Recruitment, Budget Preparation, Meetings, Administrative Analysis, Updating of Manuals, Personnel Safety, and Geographic Names Study.

General Services $211,994

This project provides for District labor spent in general activities such as purchasing, reproduction and printing services, claims administration, equipment and materials inventory, building maintenance administration and messenger services.

Finance Services $241,956

This project provides financial services for all areas of the District, including Flood Control Zones, Water Utility Enterprise, general governmental activities, revenue, payroll, investments and the Equipment Working Capital Fund. Budget compilation and analyses are also performed in this project.

Secretarial Services $656,641

This project provides for the secretarial and clerical services for the entire District. This includes personnel records, reception services, library services, filing, mail distribution, maintenance of minutes for committees and the Board of Directors, dictation, typing, word processing and other general secretarial services.

Management Project $357,832

This project provides for work performed by various management personnel of the District.

Data Processing - Business, Administrative and Commercial $129,075

This project provides for the systems design, programming, debugging, operations and maintenance of business, administrative, and commercial data processing applications that are of general benefit to the entire District.

Computer Systems Analysis $28,768

This project encompases systems support for all computer applications configuration planning, analysis and development of office systems.

Data Processing Operations $84,162

This project provides for data processing operations required by and associated with the in-house computer facility. This includes the computer operator, data entry operations, and supervisory and technical support for the entire system.

District Headquarters and Facilities $146,892

This project provides for the labor of District employees required to maintain the Administration and Maintenance Headquarters buildings, the Almaden Yard, and other yard facilities.

Employee Benefits $3,203,127

This project provides for funding the employee health insurance, long-term disability, dental insurance, basic life insurance, and retirement program through the Public Employees' Retirement System.

Services and Supplies purchased from the District Cost Center are used to support Districtwide activities as a whole. They are of the type that cannot be identified with or purchased directly from funds of any other cost center. The costs of Services and Supplies are, however, recovered as applied overhead. A comparative summary of expenditures can be found on Exhibit 4, page 75. Items included in Services and Supplies for 1985-86 are:

Communications $115,000

This account provides for all telephone service at the Almaden Complex and the installation of telephone cabling to connect computer terminals and telemetry equipment

Insurance - Workers' Compensation $173,826

This account provides premiums for Workers' Compensation Insurance. The experience rating modification is set at 87 percent of premium computed at basic or scheduled levels.

Insurance - Other $6,000

This account includes premiums for property insurance for Administration Headquarters and Maintenance Buildings and contents, miscellaneous tools, and non-owned aircraft insurance.

Unemployment Insurance $7,500

This account is a requirement of legislation passed during 1977-78. It provides for the cost of unemployment benefits.

Maintenance Services $289,411

This account provides for the contractural agreements and services required for drafting and survey equipment maintenance, maintenance of audio-visual equipment, mobile radio equipment, janitorial services, fire extinguisher and alarm service, pest control service, elevator maintenance, furniture refurbishing, office and copying machine maintenance, air-conditioning and heating maintenance, alterations to the Administration Building, maintenance of the Burroughs computer equipment, contract maintenance of building and grounds, and replacement of redwood facility signs. This account does not include time spent by District employees.

Materials and Supplies $101,095

This account includes funding for supplies for keypunch equipment, lumber, paint, steel pipe, welding supplies, masonry supplies, field survey materials and maintenance requirements for maintaining the Administration and Maintenance Headquarters, and the Almaden Yard.

Memberships $17,906

This account includes funding to provide for various professional and technical memberships in associations which relate to the functions of the District.

Office Expense - General Supplies $74,260

This account includes drafting supplies, notebooks, binders, pencils, graph paper, tab cards, labels, library supplies, computer paper, computer diskettes, drafting supplies, printer ribbons, and other supplies of a general nature.

Office Expense - Reproduction Supplies $25,275

This account includes paper and operating supplies for the various copy machines, bindery supplies, and supplies used for the blueprint machine.

Office Expense - Printing and Binding $32,660

This account provides for outside printing of personnel announcements and brochures; budget divider pages; general business forms, such as letterhead, envelopes, business cards, purchase orders, and requisitions necessary for operation of the District, payroll and general fund checks; W-2 forms; map reproduction; and general printing and binding that cannot be performed by District facilities.

Office Expense - Postage $28,600

This account provides funding for metered mail, miscellaneous postage, and United Parcel Service.

Contract Services - Auditing $1,100

This account provides for the District's share of the annual audit fee of financial transactions. This is the second year of a renewed three-year contract.

Contract Services - Data Processing $34,924

This account provides for computer services which cannot be supplied by the current in-house capability. Included are programming services and analysis, keypunch services to provide for vacations and unusual backlogs, acquisition of software programs of a minor nature and data communications handler maintenance for software systems.

Contract Services - Other $116,720

Budgeted amounts provide for pre-employment physicals and placement testing, graphic arts service, claims service for unemployment compensation, microfilming, updating of the evaluation of the District's buildings and contents, security services for the Administration Building, after hours availability of District cafeteria services, microfiche services, temporary help and software consultant services. In addition, funds are also budgeted for special personnel studies.

Publication Fees and Legal Notices $9,300

This account is to provide for recruitment advertising and miscellaneous legal advertising and notices.

Lease Expense - Equipment $23,390

Requested funding provides for the lease of equipment to be used with the Burroughs computer system, duplicating machines, rental of equipment to be used for maintenance of the Administration and Maintenance Buildings and Grounds and the rental of office space in Gilroy.

Small Tools and Instruments $28,640

This account is to provide for general small tools and instruments required by the District.

Special Expense - Education $41,975

This account provides for tuition fees, textbooks and supplies for educational courses, seminars, conferences, and training programs.

Special Expense - Other $58,617

This account provides for the acquisition of publications, library documents, and employee awards as well as for procurement of film, microfilming county records, and other photographic processing.

Transportation and Travel - Lodging/Meals $70,615

This account provides funding for authorized travel by the staff while on District business. The budgeted amount also includes lodging and meal expenses.

Utilities $132,000

This funding is to provide utilities at the Almaden Complex. Budgeted amounts include funding for water, gas, electricity, disposal and dump charges, standby charges, and sewer service and use charges.

EXHIBIT 3

SUMMARY OF ADMINISTRATION PROGRAM PROJECTS

PROJECT	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Sick Leave, Vacation, etc.	$1,396,176	1,537,398	1,683,182	1,683,182
Ordinance Administration	22,572	36,790	22,617	22,617
Cost Center Support Project		451,319	526,788	526,788
General Services	185,619	196,063	211,994	211,994
Finance Services	211,493	238,180	241,956	241,956
Secretarial Services	526,627	642,099	656,641	656,641
Management Project	349,295	333,446	357,832	357,832
DP - Business Admin. and Com'l.	114,991	123,493	129,075	129,075
Computer Systems Analysis	36,845	25,296	28,768	28,768
Data Processing Operations	82,811	117,877	84,162	84,162
District Headquarters & Fac.	134,115	138,109	146,892	146,892
Employee Benefits	2,528,943	3,015,144	3,105,705	3,203,127
Total	$ 5,589,487	6,855,214	7,195,612	7,293,034

EXHIBIT 4

SUMMARY OF SERVICES AND SUPPLIES ACCOUNTS

	ACCOUNT	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
6100	Communication	$ 92,201	100,300	115,000	115,000
6510	Insurance-Workers' Comp.	158,676	165,200	173,826	173,826
6520	Insurance-Other		6,000	6,000	6,000
6530	Unemployment Insurance	6,059	7,500	7,500	7,500
7200	Maintenance-Services	220,625	239,506	289,411	289,411
7400	Materials and Supplies	50,986	52,295	101,095	101,095
7700	Memberships	16,093	16,984	17,906	17,906
7810	Office Expense-General Supplies	54,334	59,120	74,260	74,260
7820	Office Exp.-Repro. Supplies	18,912	23,595	25,275	25,275
7830	Office Exp.-Printing & Binding	24,611	32,062	32,660	32,660
7840	Office Expense-Postage	15,891	25,600	28,600	28,600
8020	Contract Services-Auditing		1,000	1,100	1,100
8030	Contract Services-DP	24,590	53,900	34,924	34,924
8060	Contract Services-Other	129,683	89,595	116,720	116,720
8100	Publication Fees & Legal Notices	6,953	8,550	9,300	9,300
8420	Lease Expense-Equipment	25,150	24,490	23,390	23,390
8600	Small Tools & Instruments	19,289	23,870	28,640	28,640
8710	Special Expense-Education	24,017	29,100	41,975	41,975
8730	Special Expense-Other	52,091	105,214	58,617	58,617
9110	Trans. & Trav.-/Lodg./Meals	64,498	61,500	70,615	70,615
9300	Utilities	112,211	120,000	132,000	132,000
Total		$1,116,870	1,245,381	1,388,814	1,388,814

SERVICE FUND

EQUIPMENT WORKING CAPITAL FUND

REVENUE SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Balance Beginning of Year	$1,150,648	957,060	850,000	921,351
Revenue Sources				
Equipment Rental	872,786	584,960	971,443	971,228
Interest	118,448	128,150	68,000	68,000
Sale of Equipment	25,130	60,200	32,500	32,500
Total Revenue Sources	1,016,364	773,310	1,071,943	1,071,728
Total Available	$2,167,012	1,730,370	1,921,943	1,993,079

OUTLAY SUMMARY

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Operating Expenses	$ 696,471	867,488	944,851	944,851
Equipment Purchase	246,833	494,959	407,175	407,175
Total Expenditures	943,304	1,362,447	1,352,026	1,352,026
Inter-Fund Adjustment	30,219	18,502	48,334	48,334
Replacement Appropriation	1,193,489	299,421	471,583	542,719
Contingency Appropriation		50,000	50,000	50,000
Total Appropriated	$2,167,012	1,730,370	1,921,943	1,993,079

BACKGROUND INFORMATION

The Equipment Working Capital Fund was established for the purpose of maintaining, operating and replacing three types of mobile equipment owned by the District. Type I Equipment consists of sedans and pickup trucks, Type II Equipment consists of heavy-duty trucks and Type III Equipment consists of heavy-operating equipment such as bulldozers, draglines and other similar types of equipment used for maintenance of District projects. In 1984-85, Class IV items were added to the fund. They include, but are not limited to jack hammers, chain saws, power drills, etc.

The Equipment Working Capital Fund is self-supporting with all replacement and maintenance costs being charged by preestablished rates to all projects in the various cost centers. The expenses of the equipment Working Capital Fund are recovered by a mileage rate charged on Type I Equipment and hourly rate charged for Types II and III Equipment.

Equipment Purchase

This Section reflects the cost of all replacement items. The budgeted amount of $407,175 provides for the replacement of the various classes of equipment shown below. The necessary funding is provided by current revenue, supplemented by amounts accumulated for the replacement of equipment items. The items listed for replacement have been selected on the basis of accumulated mileage, obsolescence and planned needs of the District.

Class I Equipment $189,800

Class I Equipment items scheduled for replacement consist of: nine compact sedans, one full sized sedan, one stationwagon, four light utility pickups and two vans with raised roof.

Class III Equipment $195,000

Class III equipment items scheduled for replacement consists of: one bulldozer tractor.

Class IV Equipment $22,375

Class IV items which will need replacing are: pumps, chainsaws, weed eaters and generators.

Operating Expense

The Operating Expense Section of the Equipment Working Capital Fund provides for insurance, materials and supplies, and District labor to service and maintain all equipment items within the fund. It also includes 5% of the computerized system development for planned maintenance referred to in the General Information Section.

SUMMARY OF EQUIPMENT PURCHASE AND OPERATING EXPENSE

	Actual 1983-84	Approved 1984-85	Requested 1985-86	Final 1985-86
Equipment Purchase				
Class I	$117,896	158,340	189,800	189,800
Class II	109,674	104,000		
Class III		222,619	195,000	195,000
Class IV	19,263	10,000	22,375	22,375
Operating Expense	726,690	885,990	993,185	993,185
Total Purchase and Expense	$973,523	1,380,949	1,400,360	1,400,360